

WEST VIRGINIA AGENTS' MEETING

# The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JUNE 28, 1928



value the dependability and  
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NORWICH UNION based on  
a long and honorable record  
of service.

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*Hart Darlington, Manager*

## **EAGLE FIRE COMPANY**

**of NEW YORK**  
INCORPORATED 1866  
75 Malden Lane, New York

*Hart Darlington, President*  
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*In NORWICH UNION there is strength.*

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Corner Broad and Wall Sts.  
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**T**HE Banking institution, besides offering services indispensable to business, acts as a depository for the safe-keeping of funds, documents and valuable property.

Serving in a less tangible manner yet with utmost faithfulness, that great institution — **INSURANCE** is making possible the safe conduct of business to-day.

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## INSURANCE COMPANY LTD

### DEPARTMENTAL OFFICES:

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Milton Dargan, Mgr.

NEW YORK  
William Mackintosh, Mgr.

BOSTON, MASS.  
Field & Cowles, Mgrs.

CHICAGO, ILL.  
Elwin W. Law, Mgr.

SAN FRANCISCO, CAL.  
H. R. Burke, Mgr.



# CORROON & REYNOLDS, Inc.

## MANAGER

92 WILLIAM STREET  
NEW YORK CITY, N. Y.

### AMERICAN EQUITABLE ASSURANCE CO., OF NEW YORK

December 31, 1927, Statement

ASSETS	LIABILITIES	CAPITAL	SURPLUS TO POLICYHOLDERS
\$6,000,569.04	\$3,595,004.53	\$1,000,000.00	\$2,405,564.51

### KNICKERBOCKER INSURANCE CO., OF NEW YORK

December 31, 1927, Statement

\$4,105,633.66	\$2,179,211.12	\$1,000,000.00	\$1,926,422.54
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### BROOKLYN FIRE INSURANCE CO.

March 31, 1928, Statement

After adjustment and giving effect to additional Capital Surplus  
and Reserve Funds paid into Treasury of the Company May 21, 1928

\$4,762,920.03	\$2,262,920.03	\$1,000,000.00	\$2,500,000.00
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### MERCHANTS AND MANUFACTURERS FIRE INSURANCE CO.

OF NEWARK, N. J.

(CHARTERED 1849)

March 31, 1928, Statement

After adjustment and giving effect to additional Capital Surplus and  
Reserve Funds paid into Treasury of the Company since that date

\$4,726,524.78	\$2,226,524.78	\$1,000,000.00	\$2,500,000.00
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### NEW YORK FIRE INSURANCE CO.

(INCORPORATED 1832)

March 31, 1928, Statement

\$2,188,244.11	\$429,267.16	\$1,000,000.00	\$1,758,976.95
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### REPUBLIC FIRE INSURANCE COMPANY OF PITTSBURGH

(INCORPORATED 1871)

March 31, 1928, Statement

\$2,128,355.78	\$866,590.80	\$500,000.00	\$1,261,764.98
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### SYLVANIA INSURANCE COMPANY OF PHILADELPHIA, PA.

March 31, 1928, Statement

After adjustment and giving effect to additional Capital Surplus and  
Reserve Funds paid into Treasury of the Company since that date

\$4,554,828.44	\$1,521,571.74	\$1,500,000.00	\$3,033,256.70
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#### CLASSES WRITTEN

Fire, Explosion, Riot, Civil Commotion, Tornado and Windstorm, Sprinkler Leakage,  
Use and Occupancy, Profits, Leasehold and General Merchandise Floaters

## SOUND — PROGRESSIVE — EQUITABLE

*These Are Our Keynotes*

We welcome and invite this class of agency representation.

**BRITISH AMERICA**

Assurance Company

Toronto, Canada

Incorporated 1833

**CITY**

Insurance Company

of Sunbury, Pa.

Incorporated 1870

**WESTERN**

Assurance Company

of Toronto, Canada

Incorporated 1851

**UNITED STATES  
Merchants & Shippers  
Insurance Company**

of New York

Incorporated 1866

**CRUM & FORSTER  
MANAGERS**

110 William St.

New York City

**UNION FIRE**

Insurance Company

of Buffalo, N. Y.

Incorporated 1874

**UNITED STATES FIRE**

Insurance Company

of New York

Incorporated 1824

**DEPARTMENT OFFICES**Western Dept.  
FREEPORT, ILL.Southern Dept.  
ATLANTA, GA.Pacific Dept.  
SAN FRANCISCO, CAL.North Carolina Dept.  
DURHAM, N. C.Allegheny Dept.  
PITTSBURGH, PA.**NORTH RIVER**

Insurance Company

of New York

Incorporated 1822

**WESTERN NATIONAL  
FIRE**

Insurance Company

of Fargo, N. D.

Incorporated 1919

**RICHMOND**

Insurance Company

of New York

Incorporated 1907

**METROPOLITAN FIRE**

Insurance Company

of Chicago, Ill.

Incorporated 1903

**ALLEMANIA FIRE**

Insurance Company

Pittsburgh, Pa.

Incorporated 1868

**BUCKEYE NATIONAL**

Insurance Company

of Toledo, Ohio

Incorporated 1912

**NEW YORK STATE  
FIRE**

Insurance Company

of Albany, N. Y.

Incorporated 1836



# The National Underwriter

Thirty-Second Year No. 26

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, JUNE 28, 1928

\$4.00 Per Year, 20 Cents a Copy

## FREEDY WAGES WAR ON UNLICENSED COMPANIES

Wisconsin Commissioner Makes Strong Statement of His Position to Fire Fieldmen

## RAPS BLUE - GOOSE PLAN

Declares Any Aid Given in Placing Group Business With American National Violates Law

Unauthorized insurance and unlicensed companies have aroused the ire of M. A. Freedy, insurance commissioner of Wisconsin, to such an extent that he is willing to go to extreme lengths to stamp them out. He outlined his attitude at the annual meetings of the two Wisconsin field organizations held at Delavan Lake, Wis., last week. Mr. Freedy startled the field men of the Badger state by advising the officers of the Wisconsin Blue Goose not to further in any way the group life insurance plan being offered to Blue Goose members throughout the country, the business to be written in the American National of Galveston, Tex., which is not licensed in Wisconsin and does not intend to be.

### Called Violation of Law

Mr. Freedy said that any resident of Wisconsin who in any manner aids the placing of insurance in a company not licensed in the state is guilty of a violation of the Wisconsin insurance laws and subject to a penalty. Mr. Freedy was so outspoken in his views that the officers of the Wisconsin pond at their annual meeting at Delavan Lake simply told the members to disregard the letter they had received, in which an application form was enclosed, and stated that the Wisconsin pond's officers would not handle or receive applications or checks for group life insurance or in any way assist in inducing Wisconsin pond members to secure coverage under the grand nest group plan. This was something of a shock to many members of the Blue Goose in Wisconsin, who want to come in on the group plan and feel that they should be allowed to.

### Plan of the Blue Goose

The order of the Blue Goose is composed of fire insurance field men in all parts of the country. It is divided into state units. The grand nest is attempting to provide group life insurance under a five-year term contract with the American National of Galveston. As is usual in cases of this kind a master policy is to be issued, and each individual covered is to receive a certificate. The welder or secretary of each state pond has notified the members of the plan, enclosed an application and asked for a check for the first year's premium. It is this that Mr. Freedy, himself a member of the Blue Goose, objects to. He regards the officers of the Wisconsin pond as agents if they receive checks

## U. S. F. & G. ORGANIZING NEW FIRE RUNNING MATE

### WILL HOLD STOCK CONTROL

Company Will Have \$1,000,000 Capital and Either \$3,000,000 or \$4,000,000 Surplus According to Present Plans

BALTIMORE, June 27.—The United States Fidelity & Guaranty plans to enter the fire insurance field and the organization of a fire company, known as the United States Fidelity Insurance Company, to be owned and operated by the parent company, is now under way. The new company, which will have headquarters in this city, will take out a charter in Delaware and have a capital of \$1,000,000 and paid-in surplus of \$3,000,000, and possibly \$4,000,000.

### Bland Chairman of Board

R. Howard Bland, president of the United States Fidelity & Guaranty, will be chairman of the board of the new fire company and the United States Fidelity & Guaranty will control the new organization through ownership of a majority of the stock. A fire insurance man of national prominence will be named as president, it is understood.

Par value of the new stock will be \$10 a share, but the subscription price will be higher in order to provide the surplus with which the company will begin business. If the surplus is \$3,000,000 the subscription price of the stock will be \$40 a share, and if the surplus is \$4,000,000 the subscription price will be \$50 a share.

### Good Business Assured

Because of the large field force of the United States Fidelity & Guaranty, numbering some 10,000 men and women throughout the United States, which will represent the new insurance company also, it is estimated that \$1,000,000 will be saved in organization expenses.

The United States Fidelity will write fire insurance policies in all parts of the United States and the sponsors say they are assured of sufficient business to place it on a paying basis at the start.

for premiums and, as agents of an unlicensed company, subject to a fine. His attitude presents an interesting situation, as the American National is not licensed in several other northern states in which the Blue Goose group plan is being worked up. The company is a large one, with over \$500,000,000 of business in force, but it operates principally in the south and southwest.

### May Solicit from Kansas City

It is possible that the insurance committee of the grand nest, of which E. D. Marr of Kansas City is chairman, may come to the aid of Blue Goose members in Wisconsin by soliciting them direct from Kansas City, in this way removing the necessity of a Wisconsin agent and at the same time not running afoul of the Wisconsin law.

Mr. Freedy's stand in this matter is merely an indication of how determined he is to have all or as much as possible of the business in Wisconsin written by companies that are licensed in the state.

## LEACH MADE HEAD OF MINNEAPOLIS F. & M.

### TO SUCCEED F. C. VAN DUSEN

Former Secretary-Treasurer of Company Becomes Chief Executive—Other Promotions Made

MINNEAPOLIS, June 27.—At a meeting of the board of directors of the Minneapolis Fire & Marine, Walter C. Leach was named as president of the company to succeed the former president, Fred C. Van Dusen, who died recently. Mr. Leach is well known in the fire insurance field. He joined the Minneapolis Fire & Marine in 1917 as secretary and treasurer. Before taking



WALTER C. LEACH  
New President Minneapolis Fire & Marine

this position he had been president of the Northwestern Fire & Marine until that company was purchased by the Hartford.

Other officers elected at this same meeting included F. M. Merigold, who was named secretary. Mr. Merigold has been with the company since its origin in 1902 and was formerly assistant secretary. A. C. Holmgren, who had been auditor since 1921, was named assistant treasurer.

He believes that it his duty to protect the citizens of Wisconsin from the dangers attendant upon insuring in unlicensed companies.

### After Company Writing Churches

In his straight from the shoulder talk to the field men of Wisconsin Mr. Freedy said plainly that he hopes to be able to "soak" the fire insurance company that is apparently writing Catholic church business in Wisconsin through the Martin Brothers agency of Omaha, Neb. Mr. Freedy stated that as nearly as he had been able to discover, the Martin Brothers office has written a master policy and issues certificates in

(CONTINUED ON PAGE 53)

## SOUNDS CLARION NOTE IN AGENTS' DEFENSE

American System of Marketing Insurance Receives Strong Endorsement

## ENEMIES ARE PLAYED

Speaker Holds That Attempts to Break Down the Plan Should Receive Severe Condemnation

### BY C. R. MORGAN

President Charleston, W. Va., Board

A suggestion was made some time ago by a certain company representative, that the relationship of the company and its agent was purely and simply that of master and servant. Since this representative did not state whether the agent was termed an apprentice or as a hired servant, as defined by the book, it is not clear just where we are to be placed. Possibly the agent was to be termed a servant from the standpoint of the old law which also classified slaves as being servants.

### Terms Are Defined

Seriously, the term "master and servant" does express the relationship

Major C. R. Morgan gave this address before the annual meeting of the West Virginia Association of Insurance Agents. He is one of the foremost local agents of Charleston. He is prominent in public and civic affairs. For some years he was deputy insurance commissioner of his state. Recently the agency system has been challenged to justify its existence. It has been subject to attack. Major Morgan, soldier and fighter in army service, takes up the cudgels in defense of agents. His elucidation of the agency relationship is well worth careful perusal.

which exists when one person enters into the service of another and devotes to him his personal labor. The term "principal and agent" defines a relationship which results where one person called the "principal," or as it happens with us, the "company" authorizes another, called the "agent," to act for him with more or less discretionary power in business dealings with third persons. The agent may be said, therefore, to be employed in a capacity superior to that of servant. He is said to be clothed with greater discretion than the servant. He is to accomplish a certain end in general, using his own discretion as to the means adopted, while the servant is bound to perform the service in the manner commanded by his master.

### Essential Distinction

Another essential distinction is that the agent is employed to establish con- (CONTINUED ON PAGE 28)



## MUCH FEELING SEEN IN WEST VIRGINIA SUIT

### CASE HAS NOT YET COME UP

West Virginia Association of Insurance Agents as a Body Is Opposing the Project

CHARLESTON, W. VA., June 27.—No further action in connection with the injunction suit brought by the state insurance department to prohibit company members of the West Virginia Uniformity Association from attempting to enforce separation in agencies by reducing commissions to 10 percent flat where outside companies are represented is expected until after the fall election. The state authorities are busy in political work and no one seems to be in a hurry to push the case. The preliminary legal steps have been taken but the question has not come up for a hearing. While the Firemens group has withdrawn from the Uniformity Association these companies are not high commission payers and therefore will go along with a conservative commission contract. The Tokio withdrew from the association but otherwise the ranks are holding together in good shape.

#### Says Separation Is Necessary

The West Virginia Uniformity Association feels that separation is necessary because it cannot hold the outside companies responsible. While at the present time the outsiders do not write a very considerable volume, some of them, notably the National Union, have gained materially in premium volume. The Uniformity Association companies declare that an agent can not consistently and effectively represent two groups of companies on different commission scales.

#### Many Signed the Contract

A large number of agents have signed the so-called "Green Contract" sent out by the companies pledging themselves to represent only Uniformity Association companies. The West Virginia Association of Insurance Agents opposed this contract. Many of its members have not signed and declare they will not do so. West Virginia association members in Huntington, Charleston, Parkersburg, Clarksburg, Fairmount and Wheeling have stuck together in their opposition. The Bluefield local agents who are members of its local board signed the agreement.

#### Agents Not Contributing.

Capt. W. E. White, deputy insurance commissioner, declares that the local agents' association had nothing to do with filing the injunction suit and is not contributing to the legal expense involved. The local agents' association did retain an attorney to counsel the officers as to the form of contract. A proposed contract was drafted and submitted to the companies, but the West Virginia supervisory committee rejected it because it did not provide for separation. In the course of conference the West Virginia association officers agreed to a form of contract whereby agents would pledge themselves not to accept more than 20 percent flat from any companies, but this did not meet the approval of the company committee. Considerable feeling has been engendered because of the issue between the Uniformity Association and the West Virginia Association of Insurance Agents. It is stated here by the insurance department that if the companies are defeated in the injunction proceedings no higher appeal can be taken than to the state supreme court.

#### Maryland Licenses Companies

Four casualty companies have been licensed in Maryland. They are the Guardian Casualty, Pennsylvania Surety, General Indemnity of New York and Fraternal Protective of Boston.

## S. O. SMITH IS HEAD OF GEORGIA ASSOCIATION

### VICE-PRESIDENT PAST YEAR

Adopt Resolutions Backing Compensation Rate Revision and Investigation of Contingent Commission Plan

Sidney O. Smith of Gainesville was elected president of the Georgia Association of Insurance Agents at the closing session of the annual convention of that organization at Tybee last Saturday. He has served well and faithfully as vice-president and chairman of the executive committee during the past year.

Other officers elected are: First vice-president and chairman executive committee, Dan I. MacIntyre of Atlanta; second vice-president, W. C. Pease, Jr., Columbus; secretary, Scott Nixon, Augusta. All of these men are active in association and local board work in Georgia, and the entire list is regarded as a strong official family. The administration will select the new executive committee at a meeting in the near future.

Among the principal actions of the convention was the adoption of a serious resolution dealing with current matters of interest to local agents. This report endorsed and urged a continuation of the splendid work done by the fire prevention committee.

The resolutions endorsed the five-year (CONTINUED ON PAGE 30)

## CLYDE B. SMITH EXPLAINS ASSOCIATION'S PROBLEMS

### SPEAKS TO GEORGIA AGENTS

Urges Establishment of Local Boards, Use of Identification Certificate and Collective Advertising

Clyde B. Smith of Lansing, Mich., a member of the executive committee of the National Association of Insurance Agents, spoke to the Georgia Association of Insurance Agents' meeting last week at Tybee Island. He urged that the agents identify themselves with the National association and keep the fact before the public.

Mr. Smith explained the value of the automobile identification certificate. He said it was advisable to have a list of the local board members posted at police stations so that when a stranger with an identification certificate got into trouble he could be quickly directed to the proper party.

"It is regrettable," said Mr. Smith, "while every agency is a subscriber to one or more of the various insurance journals, they are too often laid on the shelf and not even opened. In my opinion an agent can spend his time to no better advantage than reading the insurance press."

The five-year development plan was explained by Mr. Smith. He urged the establishment of local boards in any town of 2,500 or more population. Mr. (CONTINUED ON PAGE 30)

## LEWIS LEAVES SERVICE OF NORTHERN ASSURANCE

### FORMER WESTERN MANAGER

Has Been Assistant U. S. Manager Since Removal to New York—Supervision Is Rearranged

NEW YORK, June 27.—H. D. Lewis, formerly manager in Chicago of the western department of the Northern of London, and since the merger of the eastern and western branches in March, 1927, assistant manager of the company at its New York headquarters, will retire at the close of the present month. In advising of the change, R. P. Barbour, United States manager, says:

#### Manager Barbour's Statement

"Mr. Lewis entered the service of the Northern as an accountant and office manager in its western department offices in Chicago in 1905. He became assistant manager when J. C. Corbet was appointed manager following the death of G. H. Lermitt, and upon the retirement of Mr. Corbet in 1922 was advanced to the management of the western department. Prior to his connection with the Northern Mr. Lewis had been in the service of the Manchester of England, serving under the late W. W. Dudley when the latter was the company's United States manager."

"While the Northern," Mr. Barbour adds, "would have been glad to retain his services, Mr. Lewis strongly desired to return to Chicago, hence arrangements to release him with a retiring allowance in recognition of his long and faithful service were made."

#### Changes in Supervision

In consequence of the retirement of Mr. Lewis, the following changes in the executive supervision at the New York office have been determined upon by Manager Barbour. J. Victor Lane, for a number of years assistant manager with special supervision over the middle and southern states, has been given wider duties as assistant United States manager. J. D. Erskine, general agent for New England, New York and New Jersey, has had Pennsylvania, Delaware and West Virginia added to his territory. E. A. Clark has been named as general agent in New York, with authority over the southern department, including Maryland and the District of Columbia. He had previously served as the company's special agent in Virginia and North Carolina.

## MRS. PAUL L. HAID IS SUMMONED BY DEATH

NEW YORK, June 27.—Insurance executives the country over will learn with sincere regret of the death of Mrs. Anna Beach Haid, wife of Paul L. Haid, president of the America Fore group of companies, at her late home in Montclair, N. J., on Monday. She had been seriously ill for months, and her death was not unexpected. Funeral services were held at the church of the Immaculate Conception, Montclair, this morning and were attended by a considerable number of insurance men as well as by other friends of the family. A daughter of the late Mr. and Mrs. John Beach, of Brookville, Pa., Mrs. Haid is survived, in addition to her husband, by a son, Paul L. Jr., three brothers and three sisters.

#### Hart & Quin Get Sylvania

Hurt & Quinn, of Atlanta, have been appointed general agents in South Carolina, Georgia, Alabama and Florida for the Sylvania of Philadelphia. The company is licensed in the states. The Sylvania is one of the group of fire companies controlled by Corroon & Reynolds of New York city and its business will be aggressively developed.

## CONDENSED NEWS OF THE WEEK

Walter C. Leach, secretary of the Minneapolis F. & M., becomes its president. **Page 3**

United States Fidelity & Guaranty will enter fire insurance field. **Page 3**

Major C. R. Morgan of Charleston, W. Va., militantly defends American agency system. **Page 3**

Commissioner Freedy of Wisconsin declares war on unlicensed companies and attacks Blue Goose plans for group life insurance with American National. **Page 3**

Officers and members of the executive committee of the National Association of Insurance Agents will meet at White Sulphur Springs July 5-6. **Page 7**

No further action has been taken in the West Virginia separation injunction case. **Page 4**

New England Associations of Insurance Agents hold annual meeting. **Page 9**

Organization of the Virginia Rating Bureau has been completed. **Page 5**

Insurance Commissioner Saufley of Kentucky suggests the organization of a Kentucky insurance federation or bureau composed of all insurance interests. **Page 5**

Advocates of central adjustment bureau are not discouraged over the National Board's failure to act. **Page 7**

Michigan field men are holding their annual meeting this week at Port Huron. **Page 6**

Boston Board rejects E. U. A. commission plan. **Page 7**

Sidney O. Smith of Gainesville is elected president of the Georgia Association of Insurance Agents at its annual meeting. **Page 4**

Illinois field men held their annual meeting this week at Lake Delavan, Wis. **Page 6**

President Menard of Georgia Association of Insurance Agents reviews the conditions of the year in his annual report. **Page 22**

Wisconsin field men conclude summer meeting at Lake Delavan. **Page 9**

Annual meeting of the West Virginia Association of Insurance Agents. **Page 30**

Superintendent Beha of New York has rejected the National Board's consolidated classification plan. **Page 10**

David M. Darby enters New York agency organization of Fred S. James & Co. **Page 9**

H. D. Lewis, assistant United States manager of Northern Assurance, retires. **Page 4**

Hail losses in Kansas and the south-west are very heavy. **Page 7**

Charles C. Hannah tells New England Associations of Insurance Agents of Eastern Underwriters Association plans. **Page 5**

Tennessee field men hold annual meeting at Signal Mountain. **Page 5**

Chicago surety men displeased at eastern company's action in blocking move for acquisition cost peace. **Page 56**

Survey conducted by American Life Convention shows that few life insurance companies carry workmen's compensation insurance on their agents or liability and property damage insurance on automobiles used by agents. **Page 57**

Norman R. Moray, general manager of the Hartford Accident, speaks at the New England Aviation Conference. **Page 58**

Massachusetts compulsory liability situation is explained to the New England Associations of Insurance Agents by J. W. Downs. **Page 55**

Stockholders of the Southern Surety approve reorganization plan. **Page 55**

Much speculation on new Massachusetts automobile liability rates. **Page 56**

Frank E. Sprague has been appointed vice-president of the Union Indemnity. **Page 57**

Circuit judge at Springfield, Ill., criticizes Illinois director of commerce for high expenses in liquidating the Lincoln Casualty. **Page 56**

American Automobile Association sends out questionnaire on compulsory liability insurance. **Page 55**

The annual convention of officers of agents clubs of the Travelers is being held this week at Groton, Conn. **Page 57**

## TENNESSEE FIELD MEN HOLD ANNUAL MEETING

Kentucky & Tennessee Field Club  
Decides to Separate Its  
Membership

### COLLECTIONS DISCUSSED

Fire Prevention Association and Blue  
Goose Meet Along With Union  
and Bureau Field Men

At their annual field meeting last week the Tennessee field men, Union and Bureau, declared their intention to maintain their activities in the Tennessee field at their present high level. There were nearly 100 in attendance at the meetings at Signal Mountain, Chattanooga, which included besides the Fire Underwriters Association of Tennessee and the Kentucky and Tennessee Field Clubs, the Tennessee Fire Prevention Association and the Tennessee Blue Goose.

Separate meetings of the two principal organizations, the Underwriters Association and the Field Club featured the opening day's program.

In his annual report to the Fire Underwriters Association, President W. P. Steele, of the Fire Association group, touched on the change in the collection rules which reduces the time for collection of agency balances from 120 to 90 days, effective July 1. The question of unanimous support of the rules brought lengthy discussion, as President Steele emphasized that only 100 percent cooperation among the company representatives could make the rules meet the situation they were designed for, that of eliminating delinquencies.

### Better Public Relations Needed

With the old valued policy law in Tennessee repealed, President Steele declared the business was left somewhat at sea until a new form is presented to and adopted by the authorities. Impressing the need for more effective public relations work, the president recommended the establishment of an organization for the study and promotion of the art and practice of public speaking for field men and urged that companies be asked to support this move by providing for membership of their representative in civic clubs.

The model arson law enacted at the last legislative session is unable to function properly, he said, so long as the office of fire marshal is under political control. At present it is a part of the office of commissioner of labor. He asked that the field men devote their efforts in behalf of a separate department, with the governor appointing the fire marshal on recommendation of the Tennessee Inspection Bureau and company interests. Under such control, he believes the business, now heavily taxed to support the fire marshal's office, will get better results for its money. He emphasized the importance of cooperation among the field men as a means of making up for any deficiency in rules and forms over which the field men have no control.

### Separation Virtually Completed

In reporting for the executive committee, Chairman A. B. Paschall of the Travelers Fire presented a detailed review of several matters now uppermost in Tennessee fire insurance circles. Separation, he said, needs little or no definite comment as the job is virtually completed and if there are any instances of mixed agencies in the state they are

(CONTINUED ON PAGE 24)

## VIRGINIA RATING BUREAU ORGANIZATION COMPLETED

APPROVED BY COMMISSION

President Nolting of Virginia F. & M.  
Heads Governing Committee of  
Twelve Members

RICHMOND, VA., June 27.—Organization of the Virginia Insurance Rating Bureau, which will replace the old Virginia Inspection and Rating Bureau on July 1, has been perfected. A governing committee of 12 company executives will have general supervision and control over and the operations of the bureau, subject to approval of the state corporation commission. Actual administration of the bureau will be vested in an executive committee consisting of nine members, all of whom shall be citizens as well as residents of Virginia.

The plan of organization was adopted at a meeting in Richmond last week which was attended by representatives of all stock fire companies doing business in Virginia. Among these were a number of home office executives. A. V. Gruhn of Chicago, secretary of the American Mutual Alliance, appeared in behalf of most of the interested mutuals, while Samuel L. Kelley, Richmond attorney, was on hand representing reciprocals which together with mutuals are entitled to membership in the bureau under the new rating law. Two sessions were held in the senate chamber at the capitol, one in the morning and the other in the afternoon.

### Button Temporary Chairman

At the first session Commissioner Button acted as temporary chairman, turning the meeting over to F. E. Nolting, permanent chairman, following the roll call of companies. A tentative plan of organization was drafted and a committee headed by Mr. Nolting was appointed to confer with the corporation commission in regard to it. Important changes were suggested by the commission and all these were written into the bureau's constitution as finally approved.

### Commission May Veto Selection

The most important change suggested by the commission provided that this body may within 30 days veto the selection of any member of the governing committee, "if in the opinion of the commission such action is necessary or proper to prevent the government of such bureau from being subject to the direction or control of any other bureau, association, corporation, company, individual or group of individuals." This was aimed at the Southeastern Underwriters Association which has heretofore exercised supervision and control over the Virginia inspection and rating bureau.

### Will Make Inspections

Not only will the new bureau make and promulgate schedules and rates for fire and kindred lines of insurance and for fire and theft cover on automobiles written by fire companies but it will make and adopt rules and regulations and classifications and make surveys and inspections to be used in the application of such rates and schedules, subject to the approval of the state corporation commission.

Under the plan of organization at least five of the 12 companies represented on the governing committee must be Virginia companies. All members of this committee were elected to serve for one year, the next annual meeting to be held in June, 1929. Only one mutual was given representation, all the other members representing stock companies. This was entirely agreeable to representatives of mutuals and reciprocals present.

Following is the personnel of the committee: F. E. Nolting, president, Virginia Fire & Marine, chairman; S. W. Zimmer, president, Petersburg Fire;

## WANTS KENTUCKY MEN IN INSURANCE BUREAU

SAUFLEY GIVES ARGUMENTS

State Commissioner Sees Great Advantages in the Organization of  
All in the Business

LOUISVILLE, KY., June 27.—Insurance Commissioner S. M. Saufley of Kentucky has arranged to speak at a special meeting of all classes of insurance men to be held Friday evening, following the close of the meeting of the Kentucky Association of Insurance Agents, in regard to formation of a Kentucky insurance federation or bureau composed of all insurance interests, in order to protect the business from those whom would overtax it, and who would interfere with its smooth operation. Mr. Saufley proposes an annual insurance day among other things. He discussed this idea at Crab Orchard Springs, before the Kentucky Fire Underwriters' Association.

### Saufley Sends Out Pamphlet

Commissioner Saufley has gotten out a pamphlet addressed to insurance companies and insurance men on the project in which he suggests the formation of a state organization or a bureau. He states that permanent headquarters should be at Frankfort in constant charge of the general manager, who should be familiar with all branches of the state business. He suggests that the federation be direct representative at the capitol for each member company, firm or agency. It should be the legislative agent for the various branches of insurance. It should serve members in any business with the insurance department. It should be able to represent also members before the department of fire prevention and rates, workmen's compensation board, securities department, etc. The general manager, he said, should be an outstanding Kentuckian who could successfully represent Kentucky insurance interests in programs of expansion in other states. Being acquainted with Kentucky insurance laws he should be able to act in an advisory capacity or assist in preparation of annual statements or preparing any other data to be presented to any state insurance department.

S. W. Ames, president, Eastern Shore of Virginia; Edwin A. Palmer, principal agent, Mutual Assurance of Virginia; C. D. M. Showalter, secretary, Old Dominion Fire of Roanoke; Paul L. Haid, president, Continental, New York; H. G. Foard, secretary, Home of New York; H. W. Gray, president, Orient, Hartford; A. R. Phillips, vice-president, Great American, New York; J. D. Lester, vice-president, Globe & Rutgers, New York; O. E. Lane, president, Niagara, New York; R. M. Anderson, vice-president, National of Hartford.

### Local Agents Attend

A number of Virginia local agents attended the organization meeting, among those on hand being Calvert R. Day, president, and Frank S. Blanton, secretary, of the Virginia Association of Insurance Agents. A special committee of this association headed by Charles J. Duke, Jr., of Portsmouth, which was appointed to confer with the corporation commission in regard to matters pertaining to the operations of the new rating law, was also on hand.

Fire company officials who journeyed to Richmond were Milton Dargan, southern manager for the Royal; Charles A. Bickerstaff, southern manager for the Firemans Fund; Jesse M. Waller, assistant secretary of the Aetna; Frederick Ackerman, general agent at Newark for the National Union; and I. C. McKown, secretary, St. Paul Fire & Marine.

## C. C. HANNAH TALKS TO NEW ENGLAND AGENTS

Outlines Aims and Purposes of  
Eastern Underwriters  
Association

### COOPERATION IS NEEDED

Agency Compensation Difficult Problem  
—Regulation Necessary to Prevent  
Excesses Due to Competition

The Eastern Underwriters Associations made a happy choice in its 11th hour selection of a company official to take the place of Manager Sumner Rhoades as speaker for the association at the annual convention of the New England Associations of Insurance Agents last week at Poland Springs, Me. The mantle of interpreting the



CHARLES C. HANNAH  
Eastern Manager Fireman's Fund

policies and actions of the E. U. A. fell upon the new manager of the eastern department of the Fireman's Fund group, Charles C. Hannah of Boston.

Mr. Hannah spoke on "The Community of Interest and the Need of Cooperation Between Companies and Agents." At the outset the speaker emphasized the fact that a full appreciation of the topic demanded a vision that looks beyond the immediate future, a knowledge of conditions and of trends and a willingness to make minor sacrifices, if need be, for the best interests of the profession.

### Interests Are Common

"In many respects and at many points the interests of agents and companies are parallel and often they are identical," said Mr. Hannah. "At no time should they be in opposition and only misunderstanding of the purpose and mutual obligations of each can bring this about. More and more they are being merged and to a greater extent than any similar relationships in other lines there is a community of interest that requires as nearly perfect cooperation as can be obtained."

"Among others the following requirements rest on both: To preserve and increase the strength of the company by the careful selection and underwriting of risks. To sturdily resist attack on the integrity of the business and its institutions. To oppose harmful legislation and oppressive regulation. To furnish dependable protection at fair and equi-



# It's Hard to Miss Alliance Advertising

In The Saturday Evening Post, every issue of which has over three million buyers—and probably four or five million readers—there has long been running a series of Alliance Insurance advertisements.

They are illustrated with big, striking photographs showing various fire-hazards; the reading matter is short, set in large type, and invariably features the Alliance Agent.

It is hard to miss this advertising and it is equally hard to miss the importance of the Agent to the property-holder that is implied in every advertisement.



**THE ALLIANCE  
INSURANCE COMPANY**

of PHILADELPHIA

Head Office

1600 Arch Street, Phila., Pa.

209 W. Jackson Blvd., Chicago, Ill.

231 Sansome Street, San Francisco, Cal.

8th fl. Hurt Bldg., Atlanta Ga.

table rates and under satisfactory forms. To anticipate and properly provide for the increasing insurance needs and demands of American business. To agree on fair but not excessive rates of commission. To check and eliminate bad practices of all kinds. To further the cause of fire prevention and fire protection in every way.

"Agency associations such as those represented here today bear witness by their accomplishments both to their necessity and their effectiveness in helping to bring about stable conditions."

## Commission Problem Difficult

In taking up the matter of commissions, Mr. Hannah said: "Among the most difficult problems for determination by companies are those related to agency compensation. Here again the imperative need of cooperation among companies in controlling the second largest item of outgo is manifest, for unregulated it would by reason of competition excesses reach limits which could not be justified and result in rate charges which would be far out of proportion to ratios of loss, resulting finally in supervision and limitation by law. To effect a proper degree of cooperation in this very important respect, resort is again had to organization and in all of the various sections of the country, associations of companies supervise this feature."

## Non-Policy Writing Agents

After reviewing the aims and purposes of the Eastern Underwriters Association he said:

"Unrestricted competition by interests outside of the organization and subject to no control cannot be entirely disregarded but at the same time cannot be completely met.

"The problem of non-policy-writing agents is one which has received and is receiving most serious consideration and cannot quickly be solved to the complete satisfaction either of all companies or all agents. We find in certain sections large city agents who insist that the non-policy-writing agent should receive the same compensation for his production as the policy writing agency maintaining a fully equipped office, whereas in other places equally positive convictions are held and expressed that this particular type of representative should be compensated on no greater than a brokerage basis.

## Elasticity Is Necessary

"It must be admitted, therefore, that neither this organization nor any similar one can pursue a course based on absolute uniformity, desirable though that may be but must make its rules and prescribe its scales of compensation on the basis of the following considerations: (1) A fair return to the agent for his investment of ability, knowledge, experience and salesmanship. (2) Not in excess of a reasonable proportion of the premium.

"It is vital to the interest of agents that commissions should not be permitted to mount unchecked, that rate wars, and other similar disturbances, should not break out producing chaos in our business and that unregulated, ruinous practices be discouraged and forbidden.

"Fire insurance can be discredited and belittled by failure to reasonably regulate its own affairs and it is to your interest to support proper internal regulation.

"As individuals and cooperating bodies you should accept with good grace decisions not always entirely satisfactory in order that the fullest measure of harmony may prevail and that the solution of the many and vexing problems constantly arising may further the best interest of our splendid service rendering business."

## Marson to Cape May

Thomas M. Marson, secretary United States Fire Companies' Conference, will spend July at Cape May, one of the most desirable of the Jersey seaside resorts.

## R. E. VERNOR ADDRESSES FIELD MEN OF MICHIGAN

### HUBBELL HEADS FIELD CLUB

E. R. Chaufy Elected President of Union Organization at Port Huron Gathering

BY ALBERT BARR

PORT HURON, MICH., June 27.—Development in the mapping of unsatisfactory suburban dwelling risks was reported on favorably at a meeting of the executive committee of the Michigan Fire Prevention Association here Tuesday evening preceding the meetings of the Michigan Fire Underwriters Association, Union organization, and the Michigan Field Club, the Bureau fieldmen's association.

### Vernor Principal Speaker

Richard E. Vernor of the fire prevention department of the Western Actual Bureau, was the principal speaker. Mr. Vernor told the fire preventionists that although the public understands something of the risk-bearing function of insurance, it knows too little of the extra indemnity function and that the dissemination of information on the latter point should be one of the principal activities of the fieldmen's organization. The operation of speakers' bureaus will become more important in future through the public relations activities of the National Board. "In inspections," Mr. Vernor said, "the older men will do the business a fine service if they will teach the younger fieldmen the importance and the technique of inspection work."

### Chaufy Heads Union Men

Officers elected by the Michigan Association of Fire Underwriters are: President, E. R. Chaufy, Fire Association; vice-president, H. M. Johnson, Commercial Union; secretary, A. N. McDougall, re-elected. Mr. Chaufy was elected vice-president last year and has been acting as president since last year's choice, President Clinton Allen of the Aetna, has been called to his company's home office.

New officers of the Field Club are: President, P. J. Hubbell, Security of New Haven; vice-president, D. B. Gamble, Milwaukee Mechanics; secretary, Stewart Morgan, Agricultural, re-elected. Among the visitors at the convention were Charles R. Street, Chicago, vice-president and western manager of the Great American; Commissioner Charles D. Livingston of Michigan; Ralph Rawlings, Rawlings & Hewett, Lansing, western managers Boston & Old Colony.

### Pittsburgh Telephone Directory

The Pittsburgh Insurance Telephone Directory issued by THE NATIONAL UNDERWRITER has been delivered to the insurance offices in that city. This is the first telephone directory of Pittsburgh gotten out. It lists the various insurance companies and insurance agencies in Pittsburgh and also gives a list of agents in the Pittsburgh suburban territory. It is a very handy directory. Copies will be sent by mail for 10 cents in stamps sent to THE NATIONAL UNDERWRITER, A-1946 Insurance Exchange South, Chicago.

### Want Burton on Committee

Many of the members of the Texas Association of Insurance Agents and, in fact, others in the southwest are starting a movement to have Fred M. Burton of Galveston, Tex., placed on the executive committee of the National association following the annual meeting. President Burton served the Texas association as president for a year and was president of his local board. He is an outstanding figure in insurance circles in his state. He is regarded as a man of fine ability. He spoke at the New Orleans convention of the National association.



## HAIL LOSSES HEAVY IN KANSAS COUNTIES

Repeated Storms Have Called  
Forth All Available Adjust-  
ers of Claims

### OKLAHOMA IS ALSO HIT

Other States So Far Have Not Been  
Involved—Rains Interfere With  
Harvesting

WICHITA, KAN., June 27.—Hail of-  
fices in Wichita and the southwest have  
been so swamped with claims that it is  
still impossible to gain any information  
as to the amount of losses. Managers  
are busy checking daily reports and mail-  
ing assignments to adjusters. There is  
little time for food or sleep, and less  
time to figure total losses.

Hartford Fire claims filed up to Mon-  
day night were considerably over 1,500  
for Oklahoma and Kansas. The ma-  
jority were Kansas losses but the loss  
ratio seemed to be running higher in  
Oklahoma. Additional adjusters were  
brought into the two states last week.

From the Wichita office of the Aetna-  
North America-Springfield group it is  
learned that over 1,800 claims had been  
received. These covered four states,  
however, Kansas, Oklahoma, Arkansas  
and Missouri. Seventy-five percent of  
the claims were estimated as originating  
in Kansas. Most of the remainder were  
from Oklahoma.

#### Adjusters Work Overtime

The Van Arsdale & Osborne Broker-  
age Company of Wichita, general  
agents for the St. Paul and perhaps the  
largest hail writing organization in the  
territory, have received approximately  
3,000 claims to date. The majority of  
these are in southwestern and south  
central Kansas. Adjusters are liter-  
ally working day and night. There was  
no Sunday this week.

One organization had figures show-  
ing the average claim settled up to  
June 23 was \$231 as compared with the  
average of around \$200 for the past few  
years. The experience is said to  
parallel last year, which was regarded  
as bad.

Another big storm, probably exceed-  
ing that of June 8, occurred the night  
of June 19 and struck the south central  
and southwestern sections, including the  
vicinities of Ashland, Meade, Liberal,  
Plains, Satanta, Rozel, Burdette, Engle-  
wood and Ulysses. Claims shown on  
the daily report of the Kansas Loss  
Clearing House showed over 200 claims  
filed on both June 19 and 20.

#### Beloit Hit by Storm

A storm in the vicinity of Beloit June  
16 and 17 affected nearly every hail writ-  
ing company or group doing business in  
the state, as did the storm at Hays June  
15-16, and Meade and Plains June 19.  
No doubt the largest losses and greater  
number of claims were caused by the  
storms of June 8, 16, 17 and 19.

All adjustments are being handled in  
the order in which they have been filed,  
but work is now being concentrated in  
districts where harvest is about to start.  
A desperate effort is being made to  
"keep ahead of the harvest." Continued  
rains during the past week have delayed  
harvest 10 days and thus given ad-  
justers more time. Combines cannot  
enter many of the fields and binders  
can enter but few. Much of the grain  
has become water soaked so that the  
heavy winds have doubled it over, mak-  
ing the use of combines impossible.

In spite of the continued hailstorms,

## BOSTON BOARD REJECTS E. U. A. COMMISSION PLAN

OBJECT TO BRANCH OFFICES

Will Adopt Plan for Metropolitan Area  
in October if Objections  
Are Renewed

BOSTON, June 27.—Notwithstanding  
the fact the Eastern Underwriters As-  
sociation commission plan for metro-  
politan Boston was ordered to go into  
effect July 1, the special committee of  
the Boston Board, at an adjourned  
meeting Monday voted not to adopt the  
new plan until Oct. 1. It will be adopted  
then only on condition that further ad-  
justments are made in the agreement.  
The Boston plan was brought about  
only after nearly a year of conferences  
between a special Boston committee of  
the Eastern Underwriters Association  
and a similar committee from the Bos-  
ton Board. Some two months ago an  
agreement was reached which a large  
number of Boston general agents then  
felt was much more liberal than they  
had anticipated. It was agreed and un-  
derstood that the plan would go into  
effect on July 1.

#### Objections to Plan

Last week, however, a meeting of the  
Boston Board committee was called and  
objections were voiced to the new plan  
on the part of a number of influential  
general agents. The meeting was ad-  
journed to Monday, when a vote was  
taken postponing the operation of the  
new plan.

#### Object to Branch Offices

Boston agents would be agreeable to  
having the plan take effect, if a satis-  
factory agreement could be reached with  
reference to the limitation of branch  
offices. The agents feel there is too  
great a disparity between the branch  
offices and general agents in Boston  
under the plan with respect to commis-  
sions and also indirectly in respect to  
the matter of policy writing and the  
general problem of acquisition cost. The  
expense allocation in particular has  
proven one of the difficult phases to  
agree upon. The general agents of Bos-  
ton maintain that a general agency is  
entitled to operate on a parity with  
branch offices in regard to expenses,  
commissions, etc., and that there should  
be no opportunity for individual inter-  
pretation of this part of the agreement.

Kansas will harvest one of its largest  
wheat crops if the rains cease so that  
harvest can proceed. Losses have been  
spotted, the bulk of the losses being  
but partial so that in many localities  
where hailstorms have occurred a larger  
than average crop will even be obtained.  
Newspapers have estimated that 10,000-  
000 bushels of wheat has been lost by  
hail or high water in Kansas, but a crop  
of 125,000,000 to 150,000,000 bushels is  
anticipated.

#### All Have High Loss Ratio

Almost all companies writing hail in-  
surance in Kansas are far in the red on  
this year's business. Repeated hailstorms  
have caused great havoc in the state.  
Rains have been constant for about three  
weeks past. The wheat is ready to har-  
vest but the farmers are unable to get on  
the fields. There has been much wind.  
It has been a hail breeding season in  
Kansas. In some counties the wheat is  
almost annihilated. In addition, there  
has been a worm at work which has  
weakened the straw, causing the stalks of  
wheat to fall without much provocation.  
In Oklahoma conditions are very  
spotted.

#### Situation in Nebraska

Some companies report a very harsh  
experience in other states, while others  
are coming through fairly successful.  
In Nebraska there have been some

## EXPECT GOOD ATTENDANCE AT COMMITTEE MEETING

TO CONSIDER MANY MATTERS

Agents' Program for Coming Year Will  
Be Determined at White Sulphur  
Springs July 5-6

NEW YORK, June 27.—With the ex-  
ception of P. H. Goodwin of San Diego,  
Cal., it is anticipated that all officers and  
members of the executive committee of  
the National Association of Insurance  
Agents will be in attendance at the meet-  
ing to be held at White Sulphur Springs,  
W. Va., July 5-6, when the policies of  
the organization for the new fiscal year  
will be largely determined. An exten-  
sive agenda has been prepared, each  
item of which will be carefully consid-  
ered. The program for the annual con-  
vention at West Baden, Ind., Sept. 17-21,  
will be outlined, as will the next step  
in the five-year development program  
inaugurated a year ago, and which was  
carried through during the past 12  
months with highly satisfactory result.  
Its outstanding features were the drive  
for additional members for the associa-  
tion; the granting of automobile certi-  
ficates to local agents (over 750,000 of  
which have already been distributed),  
and cooperative advertising for local  
agents.

#### To Consider Reinsurance

Other matter slated for review include  
the application for membership in the  
parent body by the recently consolidated  
Arkansas association; action on the com-  
plaint against the National Union Fire  
of Pittsburgh for its reputed appoint-  
ment of innumerable agencies, including  
several banks throughout Minnesota;  
ways and means for making more ef-  
fective the fight of the National Con-  
vention of Insurance Commissioners  
against unlicensed insurance companies.  
A study will also be made of the alleged  
practice of several stock companies in  
reinsuring the business of mutuals, mak-  
ing more difficult thereby the combatting  
of the activities of the latter class of  
concerns by the local agents.

Consideration will likewise be given  
the plan of the companies for the  
creation of the Interstate Board, an or-  
ganization designed to secure for the fire  
companies chain store and other lines of  
business largely lost to them through  
the writing of marine covers. The local  
men are anxious to get at least a portion  
of such business and will seek to learn  
whether they may expect it through the  
operation of the proposed board.

storms. There were two hailstorms  
June 20 and June 21 that caused consid-  
erable loss in the Platte river section. In  
the northwest states there has been con-  
siderable drouth. This kept on and be-  
fore the rain arrived the grain was  
badly handicapped in growth. There  
will not be the normal yield, therefore, in  
the great wheat sections of the north-  
west. There have been some losses in  
Colorado, but so far the record is not  
bad. Kansas, however, will show up so  
badly that the hail season can hardly  
be regarded as profitable.

John Peterson, hail manager of the  
Great American; Jacob Nelson, hail  
manager for the America Fire com-  
panies; L. G. Warder, hail manager for  
the Hartford Fire; S. K. Bjornson,  
assistant manager of the Hail & Rain  
Insurance Bureau, were in Wichita last  
week looking over the loss situation and  
arranging for increased service.

#### Mrs. P. W. Zimmer Dies

Ill more than a year, Mrs. Mary  
Pryor Walker Zimmer, wife of Samuel  
W. Zimmer, president of the Petersburg  
Fire, died early this week at her home  
in Petersburg, Va. The funeral was  
held Tuesday.

## NOT DISCOURAGED OVER ADJUSTMENT PROGRAM

Advocates of Centralized Control  
Confident of Indorsement  
of Plan

### NEED SOME EXPLANATIONS

Seek to Checkmate Influence Exerted  
by Agents and Brokers on Loss  
Settlements

NEW YORK, June 27.—Though natu-  
rally disappointed at the failure of the  
National Board at its special meeting  
here on June 20 to approve, even in  
principle, the plan submitted by the  
committee on adjustments for a central-  
ized control over loss settlements  
throughout the country for all member  
companies, advocates of the proposition,  
and especially those who have given it  
intensive study, are not discouraged.  
They are confident that when company  
officials begin to appreciate the benefits  
that might be expected to accrue to the  
business generally through the operation  
of the recommended program, it will  
have their unqualified endorsement.  
From the character of the inquiries ad-  
vanced at last week's gathering, it was  
evident that many company officials did  
not thoroughly comprehend the policy  
proposed by the committee on adjust-  
ments, although a copy of its report, to-  
gether with an explanatory brief, had  
been mailed them some days previously.  
It was unfortunate perhaps that the  
brief did not go into sufficient detail.  
However, it was difficult for the commit-  
tee to recite minutely the workings of  
the intended plan. It must be developed  
from time to time as the varying condi-  
tions demand.

#### May Adjust Own Losses

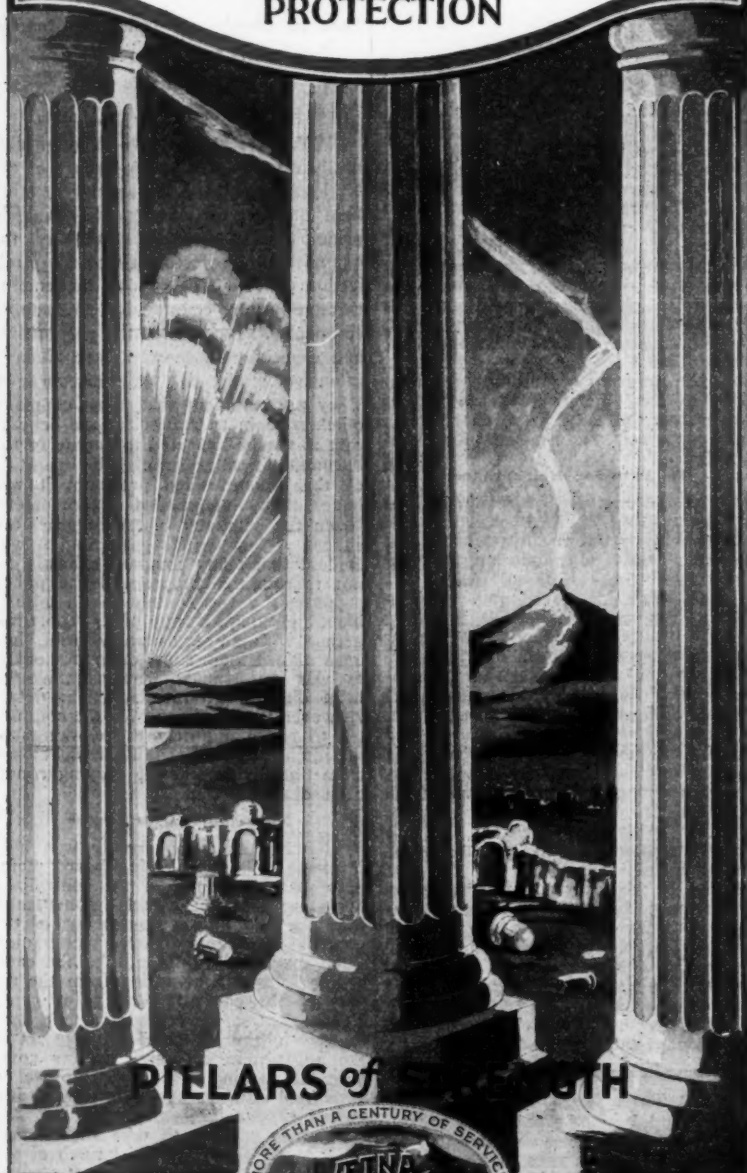
The impression apparently was held  
by some of the protesting board mem-  
bers that acceptance of the centralized  
adjusting program would automatically  
take the handling of losses out of the  
control of the individual companies.  
Such distinctly would not be the case,  
as the following quotation from the re-  
port of the committee on adjustments  
clearly shows: "Any company may have  
its own fulltime, salaried employee act in  
the adjustment of losses or any com-  
pany not having a salaried employee or  
a salaried adjuster available may assign  
an independent adjuster on a loss. The  
companies wishing to take such action  
must notify the territorial branch of the  
bureau." That some of the most compe-  
tent adjusters in the business are to be  
found among the ranks of the independ-  
ents is recognized, and so every effort  
would be made by the proposed Fire  
Companies Adjustment Bureau, should  
its functioning be sanctioned, to enlist  
the services of men of this caliber upon  
a liberal salaried basis, improving there-  
by the personnel of bureau employees  
generally. Failure to do so, however,  
would still leave companies free to en-  
gage the independent if they so desired.

#### Would Stop Interference

The central thought in the minds of  
the committee of adjustments in the  
consideration of its program to which  
it gave two years of close and intelli-  
gent study, seeking light upon its prob-  
lems from every conceivable source,  
was to checkmate the influence exerted  
by many agents and brokers in the  
designation of adjusters to handle  
claims suffered by their clients, the evil  
effects of which practice have long been  
recognized. The committee appreciated  
that a program, so radical in character  
as that it proposed, could not be put

## THE ÆTNA FIRE GROUP

Three Strong Companies  
Providing Dependable Insurance  
in FIRE and ALLIED LINES  
and in CASUALTY and SURETY  
PROTECTION



PIELARS of STRENGTH



**ÆTNA  
(FIRE)  
INSURANCE COMPANY**  
THE WORLD FIRE &  
MARINE INSURANCE CO.  
THE CENTURY INDEMNITY CO

into effect in a day nor was it designed to attempt it. The idea of the committee was to take up situations and localities one at a time and create machinery for effectively dealing with each before proceeding to additional fields. Existing bureaus would be utilized in every instance, care being taken to strengthen them wherever and to whatever extent this was necessary. It was figured that at least five years would be required to carry the centralized plan into effect in every section of the land.

### Vacation Brings Delay

The inquiries made and objections advanced at the meeting on the 20th will be reviewed by the committee on adjustments at its early convenience, though with the approaching of the vacation season it is doubtful if much will be done before the fall. When the committee is again ready to report it will submit its findings to the executive committee of the National Board for suggestion. Once the sanction of the latter body be had, the result will be laid before members of the general organization either through the medium of the mails or perhaps at another special meeting, according to what President G. G. Bulkley and his official associates may decide. It may be that no further consideration will be given the matter by board members generally before the annual gathering of the organization in May, 1929.

### Improvement in Loss Adjustments

Meantime, whatever is the final fate of the centralized control program, one positive result of the agitation of the problem has been to induce the exercise of greater care in the handling of losses than has been the case for years, parties charged with such work appreciating that company executives are now giving close attention to settlements and any disclosed shortcomings by adjusters or others are likely to result in sharp challenges from headquarters.

### Prominent Insurance Men Figure in the Houston Convention

INSURANCE men figured conspicuously this week in the Democratic national convention at Houston. Franklin D. Roosevelt of New York City, resident vice-president of the Fidelity & Deposit, was the floor leader for Gov. Albert E. Smith and made the nominating speech for him. Mr. Roosevelt himself was candidate for vice-president when James M. Cox of Ohio was the presidential candidate. James J. Hoey of the well known insurance firm of Hoey & Allison of New York City, who was formerly deputy insurance superintendent of that state, was a leading factor in the New York delegation. George E. Brennan of Chicago, Democratic national committeeman from Illinois and one of the big factors in Governor Smith's candidacy, is manager of the United States Fidelity & Guaranty in his city. Ed S. Villmoare, who managed the campaign for Senator James A. Reed of Missouri, is vice-president of the Kansas City Life. Charles M. Howell of Kansas City, Mo., well known insurance attorney and general counsel for the reciprocal insurance concerns, made the nominating speech for Senator Reed.

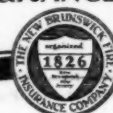
### Look for Big Attendance

Now that the National Association of Insurance Agents has decided to hold its annual convention at West Baden Springs, Ind., the week of Sept. 17, the executive committee will start shaping the program. Inasmuch as this resort is in the center of a territory rich in association memberships, undoubtedly there will be a large attendance from Indiana, Kentucky, Ohio, Illinois. The central west and south will have an excellent delegation. The Indiana Association will hold its annual meeting at West Baden that week.



Lightning's a peculiar thing. Sometimes it starts in early Spring. Sometimes it comes late in the Fall. Some wish it never came at all. It's bad in cities—on the farm it fills the heart with dread alarm. It knocks the handles off the plow or strikes a horse, perhaps a cow. It hits the barn and burns it up and brings destruction to the crop. It bores a hole in the roof and pretty soon the only proof that there had been a house around would be the ashes on the ground. There doesn't seem to be away to prevent lightning, but we'll say that you can help folks save their cash when lightning strikes with livid flash. They can be sold a policy that protects them financially 'against lightning damage—town or farm, your prospects can be saved from harm. Just tell them how this Company will write a Fire Policy protecting with a Lightning Clause 'gainst lightning damage. This should cause your income to step up a ways. Right now, you'll find, your effort pays.

*The*  
**New Brunswick**  
FIRE INSURANCE COMPANY  
59 Maiden Lane New York, N. Y.





## ILLINOIS FIELD MEN IN ANNUAL SESSION

Large Attendance at the State Board and Field Club Gathering

### MEETING OF BLUE GOOSE

Prominent Men in the Managerial Ranks Were Present and Gave Impressive Talks

### NEW STATE BOARD OFFICERS ELECTED

President—T. C. Underwood, American Fore.  
Vice-President—J. Lewis Cassell, London.  
Secretary—Miss E. E. Edwards.  
New Members Executive Committee—John Pickering, Sun; J. E. Mattemore, Phoenix, Eng.; V. L. Zimmerman, Westchester.

### NEW BLUE GOOSE OFFICERS

Most Loyal Gander—L. C. Faber, Fire Association.  
Supervisor—W. B. Rearden, Netherlands.  
Custodian—Lea Lewand, Western Adjustment.  
Guardian—John T. Harding, Millers National.  
Keeper of the Golden Goose Egg—A. J. Meyer, Automobile.  
Wielder—P. J. V. McKlan, Western Actuarial Bureau.

### BY H. J. BURRIDGE

DELAVAN, WIS., June 27.—Illinois field men gathered here on Tuesday and Wednesday of this week for the annual meetings of their various organizations. The attendance at all sessions was larger than usual. There were a number of company officials present and the entertainment features were attractive and varied. The affair was a success in every way. It was the first time in several years that the Union and Bureau field men have held their annual meetings at the same time and place. There was a general reunion and mingling of the forces. An atmosphere of good fellowship prevailed.

### Business Sessions Tuesday

On Tuesday morning business sessions of the Illinois State Board and Illinois Field Club were held. A. C. Wallace of the New Hampshire was in charge as president at the State Board meeting. The principal speakers were managers W. B. Flickinger of the Philadelphia Fire & Marine and W. H. Lininger of the Springfield Fire & Marine who were delegated by the Western Union to represent the companies at the meeting. Mr. Flickinger gave a most interesting and comprehensive history of the Union and its accomplishments. He reviewed in detail the work of the organization and outlined its policies. He advocated a continuance of the separation program and urged that all field men cooperate in carrying it forward. At the conclusion of his talk Mr. Flickinger answered a number of questions.

### W. H. Lininger's Talk

Mr. Lininger's talk was addressed to the younger field men who are just making their start. He said that the cub specials of today are the future state agents and managers of tomorrow. It is important that they mold their characters and careers along sound lines. Mr. Lininger advised plenty of hard work, honesty and a studious interest in the business as a whole. There were also short talks by F. H. Jones, manager of the Illinois Inspection Bureau.

(CONTINUED ON PAGE 18)

## FREEDY SPEAKS BEFORE WISCONSIN FIELD MEN

### TALKS AT CLOSING SESSION

Wisconsin Commissioner Rejoins Former Comrades—Blue Goose and Fire Prevention Association Elect

### OFFICERS ELECTED BY WISCONSIN STATE FIRE PREVENTION ASSOCIATION

President—Harvey J. Girard, Providence-Washington.  
Vice-President—R. J. Hoskins, Superior Fire.  
Secretary-Treasurer—C. R. James, Aetna.

### WISCONSIN BLUE GOOSE

Most Loyal Gander—R. T. Gravenstine, Hanover.  
Supervisor—P. F. Lewis, Boston.  
Guardian—J. Sullivan, Wisconsin Inspection Bureau.  
Custodian—E. T. Eaton, Royal.  
Wielder—S. L. Evans, Milwaukee local agent.  
Keeper—Charles Garst, Wisconsin Audit Bureau.  
Delegates to Grand Nest—Fred W. Weinack, National Liberty, and Paul E. Rudd, Aetna.

M. A. Freedy, insurance commissioner of Wisconsin, was the principal speaker at the concluding sessions of the two Wisconsin field organizations at Delavan Lake last week. Before assuming the commissionership Mr. Freedy was for many years Wisconsin state agent of the Phoenix of Hartford and so he is perfectly at home with the field men of the state. He spoke to them frankly and freely on the evils of unauthorized insurance and unlicensed companies. The stand of the Wisconsin department on these questions, as outlined by Mr. Freedy, was enthusiastically applauded by the field men of both organizations.

In addition to Mr. Freedy's talk the members of the Wisconsin Fire Underwriters Association listened to a discussion of pyroxylin lacquers by F. S. Theurer, superintendent of the paint division of the Pittsburgh Plate Glass Company at Milwaukee. Mr. Theurer explained the manufacturing process and the hazards of application. Managers Fred B. Luce, Providence-Washington; A. D. Yeaton, New Hampshire, and J. R. Wilbur, America Fore, gave short talks as did G. Hollister of R. G. Dun & Co.

The new executive committee elected is composed of W. D. Johnston, Springfield F. & M.; Frank Goldthach, American Central, and C. E. Hayne, Continental. The new members elected are John Liechtenberg, Fidelity-Phenix; M. S. Birkeland, Fidelity-Phenix; R. K. Hill, Springfield F. & M., and Charles A. Bruger, Aetna.

### Wisconsin Insurance Club Speakers

At the final session of the Wisconsin Insurance Club the speakers were R. H. Wieben, secretary of the Milwaukee Mechanics; E. E. Soenke, vice-president of the Security of Davenport, and Commissioner Freedy. The agency balance plan of the Wisconsin Insurance Club is a model for other states and all of the speakers referred to its effectiveness.

A. G. Strasen of the Jersey Fire Underwriters was in charge as president of the short annual business meeting of the Fire Prevention Association. George G. Williams, former Wisconsin state agent of the Liverpool & London & Globe, was made a life member.

Most Loyal Gander Fred W. Weinack of the National Liberty was in charge of the Blue Goose meeting at which the fun was fast and furious. C. W. Hutchinson of the Pennsylvania Fire was in charge of initiation ceremonies. His advice to the goslings was one of the treats of the meeting. Those who had their pin feathers plucked were T. M. Lien, Lee W. Bort & Co.; A. S. Prior, T. T. North & Co.; C. A. Lofgren, Security of Iowa; I. Bloom, West-

## DAVID M. DARBY WITH FRED S. JAMES & CO.

### ENTERS NEW YORK AGENCY

Is Valuable Addition to Personnel of Organization, Now Including Many Strong Men

NEW YORK, June 27.—An event of unusual interest in New York City underwriting circles is the entry of David M. Darby into the agency corporation of Fred S. James & Company. The personnel will be George W. Blossom, W. A. Blodgett, William P. Young and Mr. Darby. When the arrangement becomes operative the James office will represent in the metropolitan district the Urbaine, General, Eagle Star & British Dominions, Victory, Caledonian-American, Anchor, Rochester American, Star, British-America, Columbia Fire; Globe Indemnity, New York Indemnity for boiler and flywheel lines and the Travelers.

In addition to the great writing capacity of the companies, the agency through these institutions will have the benefit of the carrying facilities of the organizations with which they are affiliated, namely the Fred S. James & Co., Fire Association, Caledonian, Great American, Liverpool & London & Globe, North River and American of Newark groups, making possible the taking care of lines regardless of their size.

The Fred S. James & Co. Corporation, as distinct from the Fred S. James & Co. partnership, was formed in 1922 to transact a local business solely. It had been a partnership here since 1906 and ever maintained a strong following among the brokers.

### Personnel of Organization

Mr. Blossom, the senior in both the firm and corporation, is widely known to fire men of both east and west and has been for many years. Mr. Blodgett has likewise been a prominent figure in managerial circles for a long time and he too is deservedly popular. Mr. Young was connected with the North British & Mercantile for 17 years, for a considerable part of the time as head of its local department. He resigned as an assistant United States manager of the company several years ago to become secretary-manager of the National Automobile Underwriters Conference, leaving this post in turn to become a member of the Fred S. James organization. Few men understand metropolitan business better than he and none is held in higher popular esteem.

Mr. Darby, too, is a veteran New York City agent, having served the Caledonian-American as its local secretary for 17 years, subsequently for five years being a partner in the Hooper, Darby & McDaniel agency, and again conducting his own agency until his decision to consolidate forces with the James office. News of the arrangement will excite interest far beyond the metropolitan zone, because of the prominence of the parties concerned and the standing of the companies they represent.

chester, and Francis Leonard, National of Hartford.

The feature of the workout given the goslings was the form of initiation known as the "Atwater roll," devised by Walter E. Atwater, former Wisconsin state agent of the Commercial Union. As a novelty this stunt was a huge success and it is believed it will be used by other ponds, especially those whose initiation work is becoming stale and repetitious.

Many participated in the numerous outdoor sports, all of the events being successful. Walter R. Hunter of the Commercial Union and Mrs. H. C. Nurnberg won the prize waltz.

## NEW ENGLAND AGENTS HOLD ANNUAL MEETING

Resolution Adopted Deploing Action of Companies Writing Automobile Liability

### HAVE HUGE ATTENDANCE

Company Officials and Agents Join in Discussion on Cooperation on Various Problems

An attendance of over 450 was reported at the New England Association of Insurance Agents' convention at Poland Springs last week by Secretary-Treasurer Warren S. Shaw of Brockton, Me. James W. Cook of Providence, R. I., regional vice-president and chairman of the New England Advisory Board,



JAMES W. COOK

Presiding at New England Meeting

presided and reviewed the work of the year.

President W. Eugene Harrington of the National association created a splendid impression with a businesslike talk on the affairs of the national organization. He impressed upon the agents that all their problems were mutual problems and one part of the country could not ignore the problems of another part.

### Explains Development Plan

T. Alfred Fleming, director of conservation for the National Board, was to have spoken at the opening session, but the death of his daughter prevented. The convention rose in silent respect and resolutions were voted to be sent to Mr. Fleming. A paper which he was to have presented was read by H. E. Newell of the engineering staff of the National Board.

Charles W. Varney, president of the New Hampshire association, spoke on the "Five-Year Development Plan." The automobile certificate issued by the National association was discussed by Ivan E. Lang of Maine, President Fred R. Smith of the Massachusetts association and President Albert Dodge of the New York association. The latter impressed upon the agents that they must be prepared to do something for nothing and give complete service on the automobile certificate plan, or there would likely be a flareback from some of the automobile associations.

James L. Case conducted a discussion period on "Cooperation." In the course of the period Donald G. North of New Haven expressed the hope the Eastern





### COVERAGES EFFECTED

FIRE,  
AUTOMOBILE,  
TORNADO,  
RENTS,  
LEASEHOLD,  
EXPLOSION,  
RIOT and CIVIL  
COMMOTION,  
PROFITS AND  
COMMISSION,  
USE & OCCUPANCY

**AUTOMOBILE  
FULL  
COVERAGE**

Is the Patriotic Insurance Company of America one of the companies in your office?

If not, and you are looking about for a really desirable Company, consider these facts about The Patriotic:

Patriotic agents are satisfied with our service. We believe you will be too if you value reliability, promptness and friendly helpfulness.

The Patriotic was organized and began business over one hundred years ago. The experience has been valuable to the company; it will be worth something to you.

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WRIGLEY BLDG., CHICAGO  
JOHN F. STAFFORD, Manager

PACIFIC DEPARTMENT  
SAN FRANCISCO  
C. A. HENRY, General Agent

Underwriters Association would open its councils to a committee of agents. Vice-President J. C. Heyer of the Metropolitan Casualty hoped the agents would not overlook the matter of more careful underwriting, prompt payment of remittances and attention to correspondence. H. Ward Bates of Worcester, Mass., brought up the matter of non-policy-writing agents in his city and criticised the Eastern Underwriters Association rather than the company in question for conditions in that city. He was informed that ample time to go into the matter would be given on the following day. Vice-President R. H. Thompson of the Maryland Casualty suggested the New England Advisory Board should have a representative conference committee in the National Casualty Bureau. Ivan E. Lang desired closer cooperation with casualty companies relative to automobile rates in the northern New England states where now there is chaos, he said.

#### Resolution Adopted

President C. W. Varney of the New Hampshire association then offered the following resolution, which was adopted:

"Resolved: That we deplore the action by those companies writing automobile liability insurance on pleasure cars in Maine, New Hampshire and Vermont in causing and permitting the existing rate situation.

"We urge all companies writing the business in the affected territory to cooperate for the purpose of arriving at an early adjustment of the deplorable situation and restore harmony in place of the present chaos.

"We heartily approve and endorse the action of the New England Advisory Board in attempting to secure a fair and equitable adjustment of the existing differences. We urge the board through its special conference committee to use every effort and means at its command to bring about a satisfactory settlement of this problem for the best interests of the companies, their agents and the general public."

Walter H. Bennett, secretary-counsel of the National association, was introduced and the first business session closed with a spirited address by Rev. John Nicol Mark of Arlington, Mass.

#### Discuss Automobile "Contracts"

The second business session Friday morning opened with a discussion period led by President Charles M. MacKinney of the Rhode Island association. He took up the matter of the automobile "contracts" being issued by the Automobile Service Association in Providence, R. I. He felt they were irregular and improper and detrimental to insurance interests, as well as confusing. The same problem in Connecticut was described by James L. Case of Norwich, Conn.

Dudley Harmon, executive vice-president of the New England Council, spoke of the work of the council in advancing New England's business interests and outlined the opportunity of insurance men to participate in that work.

John W. Downs, counsel of the Massachusetts association, reviewed the automobile compulsory liability insurance law in Massachusetts, and Chauncey S. S. Miller of the publicity department of the North British & Mercantile, discussed direct mail advertising. Benjamin F. Cleaves, secretary of the Associated Industries of Maine, spoke on the topic "What About This Research Man?" and went into the matter of the relations of business and insurance.

#### Confer on Worcester Situation

Edwin J. Cole of Fall River, Mass., conducted a discussion period Friday morning at which the difficulties between the Worcester Board and the Travelers office were threshed out. President H. Ward Bates reviewed the situation, which involves the business of the non-policy-writing agents of the

## URNS DOWN COMBINED CLASSIFICATION PLAN

### BEHA REJECTS THE PROPOSAL

National Board's Consolidated Project  
Did Not Clinch New York  
State Department

NEW YORK, June 27.—Superintendent Beha of the New York department in a formal communication to the companies holding membership in the National Board has advised of his unwillingness to accept the consolidated fire classification of the latter body, insisting instead that his department be supplied with the classification "for the state of New York," and again for the "entire United States as a whole" on the same basis as heretofore used.

Some months ago the National Board reduced its classifications to 28, a proposition that proved acceptable to every state in the country save only New York and Texas. Mr. Beha objected to the proposition in February, "pending such time as his department can formulate a classification plan which will more nearly conform to the requirements of our law." No decision as to such plan has yet been reached, and doubtless some time will elapse before one be evolved.

#### Reduce Air Mail Rates Aug. 1

It will cost only one-quarter as much to send the average business letter by air mail after Aug. 1 as it does now. On that date the rate will be reduced from 10 cents a half ounce to 5 cents for the first ounce or fraction and 10 cents for each succeeding ounce or fraction. This means that an ordinary letter may be sent anywhere in this country for 5 cents and that an air mail package which now requires \$2 postage may then be sent to any part of the country for \$1.05.

The regulations on air mail are simple. Any mailable matter (except perishable matter liable to damage by freezing) may be sent by air mail. Registered, insured and C. O. D. matter is carried by air mail, as are packages not exceeding 50 pounds in weight and not exceeding 84 inches in length and girth combined. Special delivery stamps still further expedite delivery of domestic air mail.

Air mail may be deposited in any mail box, but sufficient time should be allowed for collection and transport to the main post office in time for shipment to the air mail field. Distinctive air mail envelopes are desirable, but not compulsory, but the words "Air Mail" or "Via Air Mail" must be clearly endorsed on the envelope or wrapper.

#### Grain Dealers National Covered

Fifty-four employees of the Grain Dealers National Mutual Fire of Indianapolis have recently joined with their employers in acquiring a group life policy through the Prudential. The amount of the policy involved is \$84,000. It is of the contributory type.

Worcester branch office of the Travelers in competition with the board members. Secretary Fairbanks of the board also spoke. President Bates declared he had no quarrel with the Travelers, but he thought the Eastern Underwriters Association was not dealing equitably with all the agents of all the companies in its organization when it permitted such a situation to exist as was the case in Worcester.

Roger W. Wight, eastern superintendent of agencies of the Travelers, made the statement that his company would be glad to have another conference with the Worcester Board on the matter and Mr. Cole stated the New England Advisory Board would be equally willing to aid in adjustment of the differences. This closed the discussion.



## A Worth While Surety Connection

The New York Indemnity Company in association with the National Surety Company has a larger qualifying power than any other Company writing Fidelity and Surety lines.

The New York Indemnity Company in association with the National Surety Company has at its command unexcelled Fidelity and Surety underwriting facilities, experience and information.

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115 BROADWAY, NEW YORK CITY

WILLIAM B. JOYCE, *Chairman*

SPENCER WELTON, *President*



## INDIANA FIELD MEETING IS COMPLETE SUCCESS

### ATTENDANCE IS SATISFACTORY

Sun Dries Golf Course and Play Is Fast  
On Both Days—Business Sessions  
Are Conducted Smoothly

Rain was raining all around, and vigorously, when the Indiana field men looked at the day on the first morning of their meeting at Lake Wawasee. Hoot, screech and other owls had made the preceding night a bit nervous, and the meeting, golfing, boating and other prospects, for that, were not so bright. But before breakfast became history the rain stopped and the sun blinked through the wet trees surrounding the convention hotel.

The high light—barring only the sun—of the first morning was the address by Charles R. Street before the meeting of the Union field men. The address was a penetrating analysis of some good and more bad conditions and potentially dangerous tendencies in the insurance business and was named by some of the field men one of the ablest speeches they

ever had heard. Mr. Street arrived in the meeting bearing a typescript of an address. However, he departed from the typescript several times and lengthily searched out numerous flaws in the insurance structure. He was accorded a rising vote of thanks.

#### Leonard Late But Welcome

William Leonard, formerly an Indiana field man for the Fireman's Fund and now a Chicago representative of the company, had been invited to the meeting but had wired that he could not come. When, therefore, he stepped through the door into the session chamber in the middle of the meeting, he was given what Tex Guinan calls "a big hand." He also was subjected to some raillery as one who seeks publicity.

John F. Stafford, Chicago, western manager of the Sun, who spoke at the Blue Goose banquet, sat through the association meeting. So also did Thomas T. North of Chicago, nationally prominent as an automobile loss adjuster.

#### North Wins Golf Honors

Mr. North shot some fast golf in the afternoon, winning top honors. Mr. Stafford also shot some golf. He also created the best golf story of the occasion to the effect that he drove a ball into a tree, that the ball found lodgment in the tree—or refuge from further bat-

tering—and that the shooter's caddy was forced to keep long vigil in the tree waiting for the ball to appear for capture.

Virgil Roby of the Travelers added something more to his reputation as a golfer. His work on the course was lauded by all aware of the quality of his playing.

#### Wysong Excellent Toastmaster

Commissioner Wysong presided—"like nobody can," as they say in show business—as toastmaster at the Blue Goose banquet. His wit provided a sparkling introduction for the warmly glowing address on good fellowship given by Mr. Stafford.

The first evening was varied with bridge playing, dancing—at nearby pavilions—boating and . . . singing. The bridge playing, the dancing and the boating were good also.

#### P. J. Heffernan Mourned

At the various business sessions a deep note of regret for the death of P. J. Heffernan, formerly state agent of the Sun and president of the Fire Underwriters Association was heard. He was respected for his ability as a field man and loved for his good fellowship. When he died the Indiana field lost an able worker and a friend. After Mr. Heffernan's death Homer G. Meek of the Lon-

don Assurance, elected vice-president last year, functioned as president. That his administration was appreciated was indicated by the association's presenting him with a costly watch, chain and knife. He was elected to the executive committee at this year's meeting.

Irving Williams of "Rough Notes," for many years wielder for the Indiana Blue Goose, was unable to be present. In his business capacity he had an able vicar in R. C. Schetter, who knows his business systems, his Indiana, his car and his fishing forward and backward. Mr. Schetter had a display of system material in the convention hotel which attracted attention and created interest. At the Field Club meeting it was reported that balance collections are showing some improvement in the state, although delinquencies still are troublesome.

Some of the Field Club men were delayed by attendance at the funeral of Walter L. Closson, well-known Logansport local agent, who died on the Saturday preceding the meeting. Francis Sebastian, Mr. Closson's stepson, is Indiana special agent for the Columbian National.

Throughout the two days of the gathering the 50 percent fire company collision rate cut in the state was discussed, lauded, condemned and then discussed again. But by action of the Western Conference in Chicago while the Indiana meeting was in progress the cut order was rescinded and the cut is now in the limbo of the currently lost.

### BEHA SUMMARIZES FIRE COMPANIES' 1927 FIGURES

ALBANY, N. Y., June 27.—Superintendent Beha is preparing to issue Part I of the 69th report of his department, dealing with fire and marine insurance and summarizing the 1927 statements of all companies authorized in New York State. This volume is prefaced with the superintendent's report to the 1928 legislature, in the form of text and tables, reviewing the year 1927.

The aggregate business of 275 joint-stock and 71 mutual fire and marine companies authorized in New York State in 1927, and their condition at the end of that year, are shown as follows:

	1927	Increase or Decrease Over 1926
Assets, Dec. 31. . . . .	\$2,309,778,975	+\$257,851,580
Liabilities . . . . .	1,233,135,427	+63,091,177
Capital . . . . .	279,398,410	+24,931,862
Surplus . . . . .	797,245,138	169,828,541
Premium income for year . . . . .	1,021,539,071	-14,620,109
Total income. . . . .	1,201,408,369	+5,952,169
Losses paid . . . . .	484,276,452	-43,137,075
Total disbursements . . . . .	1,056,942,376	-36,393,738

In addition, 16 Lloyds and inter-insurers show assets of \$21,099,398; liabilities, \$6,741,268; premium income, \$8,266,691; losses paid, \$3,681,463.

The total fire premiums received in New York State in 1927 by stock and mutual companies were \$102,170,663; fire losses incurred, \$44,401,682. Ocean marine in New York totaled \$24,760,484; losses incurred, \$17,478,637. All premiums other than fire and ocean marine received in New York, including motor vehicle, aircraft, inland navigation, tornado, windstorm, hail, sprinkler leakage, earthquake, etc., \$38,256,153; losses incurred, \$17,314,176.

Earthquake insurance written in New York last year amounted to \$24,683,557, as compared with \$22,747,007 in the year previous, while aircraft insurance totaled \$602,000 as against \$147,000.

#### Bright Is Transferred

Manager S. M. Buck of the Transcontinental announces that State Agent Bright has been transferred from Kansas City, Mo., to the Commonwealth building, Des Moines, Ia., and will hereafter supervise the business in Iowa and Nebraska. He has traveled in these states for a number of years.



# BOOM! BOOM! BOOM!

July 4th is coming. The sound of drums, the martial strains of bands will fill the air. We will celebrate our declaration of freedom.

We will!

And while the boom, boom of drums reverberates along the parades, the clang, clang of the fire engines will echo in many a town and city.

Independence—but not from fire! Only Fire Insurance can declare that for us. And you, as an insurance representative, have the opportunity of writing the financial independence from fire loss for the citizens of your community.

The Franklin Fire will join with its agents in selling this idea of independence from fire loss by supplying them with Fire Insurance literature or other sales suggestions. Are you ready? Let's go.

The Franklin Fire offers to agents a wide range of insurance covers. Well qualified agents in territories where this Company is not already represented, are invited to investigate the advantages offered by this old established Company.

## The FRANKLIN FIRE INSURANCE COMPANY

OF PHILADELPHIA

ORGANIZED APRIL 1829

CASH CAPITAL \$1,000,000





# Payroll Precautions



## N<sup>o</sup> 4

of a series of advertisements having to do with the Agent's part in saving Life and Property



*A reduced number of losses means Lower Rates*

**ALMOST** every newspaper contains accounts of messengers being held up, and possibly killed, by Robbers. Agents will perform a service to their assureds by calling attention to preventive measures, some of which we list below:

**Don't** trust new office boys or errand boys until their past records have been investigated and their home addresses and references fully verified.

**Don't** entrust a large sum of money to a messenger without the protection of an adequate armed guard.

**Don't** let your custodians go after payrolls without first examining the firearms of the guards and determining if they are in good condition and properly loaded.

**Don't** fail to caution messengers to be on the alert when strangers attempt to stop them for a match or to ask some irrelevant question; also to take careful notice of all persons who seem to be interested in their movements.

**Don't** have regular hours for going after money for the payroll, or for sending money to bank. It is also advantageous to change the route to and from the bank, although little-used streets should be avoided.

**Don't** hire automobiles from unknown persons to transport money or other valuables.

**Don't** fail to impress upon your messengers and guards that their own personal safety as well as that of the money in their care depends largely upon their own vigilance.

**Don't** fail, if using an automobile to transport payroll money, to caution driver, messenger and guards to be on the alert for any automobile containing several men that cuts in front to block them; also to be prepared for quick action. Use closed cars. Messenger with money should ride on rear seat, never on front seat.

**Don't** make any in-between stops.

**Don't** permit your armed guards to assist in carrying any of the bags containing money during transportation. Assign another messenger if necessary, to keep your guards free-handed.

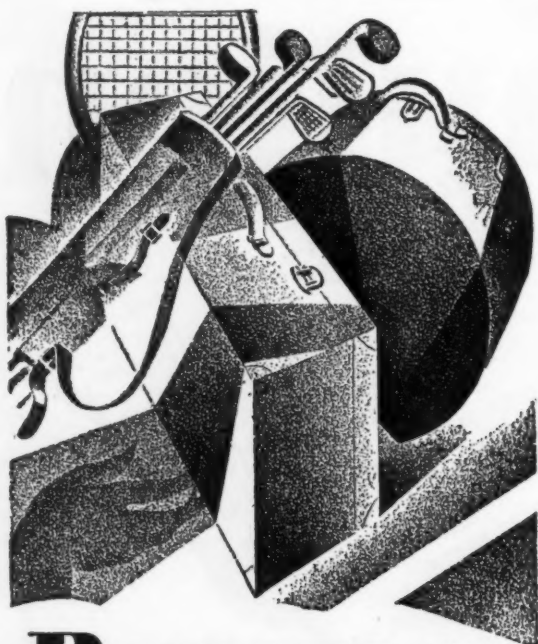
**Don't** place your safe in a dark place. Locate it near a window or entrance, where it can be seen from the street. Keep a light burning near it at night.

**Don't** leave safes or vaults unlocked during business hours and be especially careful that employees do not leave the combination on half turn.

**Don't** fail to change combination of safe immediately when an employee who used it disappears or is discharged.

## Indemnity Insurance Company of North America

PHILADELPHIA



## Remove the Shadows

**I**NVISIBLE shadows hover over every vacation trip. It's joys can be clouded at any moment by the annoying loss of personal belongings. The danger is present from the moment the vacationist steps out of his door.

Our agents are getting closer to their clients and closer to prospective clients by concentrating *now* on the protection offered by Personal Effects Insurance. They are making a surprising summer sales record by removing the shadow of loss by theft, fire, and the hazards of transportation.

How? By showing that Personal Effects policies are good *all year round*, anyplace away from home. By proving that day for day, this is the most reasonable, as well as one of the most essential forms of insurance obtainable.

Agents are invited to write for Selling Points and Outline of the Personal Effects Policy.

**THE LIVERPOOL  
AND LONDON  
AND GLOBE  
Insurance Co Ltd**

Executive Offices: 1 Pershing Square  
Park Ave. at 42nd St., New York, N. Y.

80th  
Year in the  
United States

Western Dept.  
CHICAGO

Pacific Coast Dept.  
SAN FRANCISCO

THE NATIONAL INSTITUTION WITH A WORLD WIDE BACKGROUND

## SOME VEXING ISSUES NOW IN THE EAST

Branch Offices and Non-Policy-Writing Agents Offer Some Complications

## NEW JERSEY UNSETTLED

Excepted Cities in Some Cases Are Not Satisfied With Arrangements Made for Them

NEW YORK, June 27.—Two of the outstanding questions still awaiting proper solution by the Eastern Underwriters Association are branch offices and the status of non-policy writing agents. Both subjects were considered at the meeting of the executive committee yesterday. Certain conclusions reached as to branch offices will be submitted at the next general meeting of the association on July, 19.

The attorney-general of New Jersey not having given his opinion as to the standing of non-policy-writing agents under the provisions of the recently enacted uniform commission law of that state, further consideration of this question has been deferred.

Despite the opposition of Philadelphia agents to the program of the association for that city, the arrangement will be put into effect July 1 as previously determined upon by the general body. The Boston, Baltimore and Pittsburgh agreements also become operative on the same date. Plans determined upon for the other excepted cities of Buffalo and Washington are already in force.

### Disturbing Factor in Philadelphia

One of the disturbing factors in the Philadelphia situation is the advantage claimed for the home companies, which through arrangements with sub-agents are able to control the great percentage of the preferred business of the territory. This fact is highly irritating to the outside offices and their Philadelphia representatives, who demand equality of opportunity.

Affairs in New Jersey continue highly disturbed. The brokerage question is still unsettled though an agreement may be arrived at at a joint conference of representative local agents, metropolitan brokers and company offices to be held at Newark this week.

The position of the Firemens group following their resignation from the Eastern Underwriters Association, a short time ago, has not been defined and a lot of speculation thereupon is being indulged in.

### Hope Bassett Will Yield

Hope is still expressed that Neal Bassett, president of the Firemens and related companies, may withdraw his resignation and continue membership in the governing body. Expectation however that he will do this is not generally felt. Mr. Bassett is steadfastly opposed to the idea of enforced separation, a proposition that is advanced in Eastern Underwriters Association circles from time to time.

Non-affiliated institutions are active in New Jersey. There is no disguising the fact that they are securing representation in some of the best agencies in the state. Special agents in the territory are hard pressed to know just what to do and are kept busy holding their agencies in line. Altogether the situation is still greatly confused and some little time must yet elapse before it clarifies.

## LITTLE RESULTS SEEN FROM STOCK HOLDING

Companies Interested in the Effect of Local Agents Owning Shares

## MANY HAVE MADE SHIFTS

Sufficient Time Has Not Elapsed for Officials to Get Accurate Slant on Situation

NEW YORK, June 27.—Primarily with a view to affording such of their local agents as evince a desire to become stockholders in a number of the companies they represent, and with the further thought that a broader distribution of holding among the general investing public would induce a better understanding and a kindlier sentiment on the part of the latter toward underwriting interests, a number of the prominent fire companies reduced the par value of their shares during the past year, from the customary figure of \$100 or \$50 per share to more popular amounts. The majority at the same time increased their capitals, thereby considerably adding to the number of shares available for purchase. In practically every case the stock was not only fully subscribed, but the demand was for still further shares, attesting the faith of the purchasers in the future of the fire insurance business and their confidence in the administration of the corporations.

### Effect Not Yet Seen

Sufficient time has not yet elapsed to determine how far the anticipation of company officials, both with respect to the influence shareholding would have upon the business production of the agents, and the attainment of good-will from property-owners, has been realized. Some executives frankly admit that, so far as they have been able to discover, the fact that a local representative is likewise a stockholder in his company has not materially increased his premium income. Such gains as have been recorded from different representatives are assigned to other causes—either the service rendered by the corporation in the way of line capacity; acceptance of accommodation risks, treatment of agency balances, or the ability and personality of field men. Theoretically, other conditions being similar, a local agent would be expected to favor a company in which he is also a stockholder with his choice business. Such may prove to be the case, but thus far managers assert it is not demonstrable.

## PITTSBURGH OFFICE IS TO BE MORE EXTENDED

PITTSBURGH, June 27.—Crum & Forster, who created the Allegheny department for their companies to handle western Pennsylvania, have now included West Virginia under its jurisdiction.

The management of the department will be in the hands of William Steinmeyer, George W. Unverzagt, A. F. Sanford and W. E. Briggs. The companies supervised will be the Allegheny, Westchester, Delaware, Delaware Underwriters, United States, North River, British America, Western, Richmond and United States Merchants & Shippers.





## Under Every WHITE FIREMAN ANNOUNCEMENT

Under every announcement of the White Fireman and his work, there appears this line, in red letters:—

*"Property Owners May Secure Loss-Prevention  
Service Through Responsible Insurance Agents"*

As the property-owning public is made increasingly familiar with the fire-prevention work carried on by insurance companies, North America Agents are gaining a growing number of business contacts.

This month, another White Fireman story appears in The Saturday Evening Post and in all the magazines of The Quality Group.

### Insurance Company of North America

PHILADELPHIA

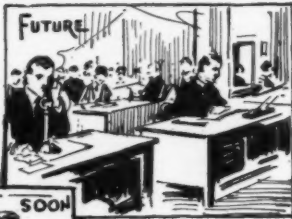
and the

### Indemnity Ins. Co. of North America

*write practically every form of insurance except life*



# ATLAS Offers You



## An Opportunity to Grow and Prosper!

Whether your's is a one-man agency, a partnership, or a firm with many members, ATLAS Casualty Company offers you an opportunity to develop your agency, to grow larger, to make more money.

If you're a red-blooded, lively, wide-a-wake American go-getter, that's exactly the kind of an opportunity you are looking for!

ATLAS offers you this opportunity through your most profitable line — automobile insurance. ATLAS writes only this one line of insurance, writing every coverage in one policy. It promises prompt service and fulfills its promise to you and your client's satisfaction. And all its transactions with every agent and policyholder are in a friendly, personal and courteous manner.

Further, ATLAS has an agency contract for you that is unusually different—different in that it recognizes the value of your salesmanship and selling effort. Back of all this is the assistance and co-operation of a friendly, interested personnel—a personnel interested in helping you grow and prosper, knowing full well that only as you succeed can it also succeed.

If you're up-on-your-toes and interested, write us for full particulars. Such inquiry will not obligate you—it will present an opportunity for you to grow and prosper.

# Atlas

## Casualty Company

EXECUTIVE OFFICES  
Fort Wayne, Indiana

OPERATING IN INDIANA, ILLINOIS, OHIO, MICHIGAN,  
MISSOURI AND PENNSYLVANIA

## BUILDING COSTS ARE SHOWN ON CUBIC FOOT BASIS THROUGH CHART

THE Virginian Appraisal Company of Huntington, W. Va., issues "Hypothetical Estimating Tables," showing building costs per cubic foot basis of various types of buildings. H. A. Cochran, industrial and commercial engineer of this company, gets out these tables. Mr. Cochran states that there is very little if any reason for changing the

costs as reflected in the table at this time, although during the war period there were violent fluctuations. The tables were compiled from authentic constructive details assembled for their particular purpose. The Virginian Appraisal Company gets out printed sheets showing building costs in the form shown herewith.

BUILDING COSTS PER CUBIC FOOT BASIS  
Courtesy Virginian Appraisal Co., Huntington, W. Va.

CLASSIFICATION	1890	1895	1900	1905	1910	1915	1920	1925	1930	1935	1940	1945	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000
FACTORY & WAREHOUSE	09	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19
Up to 2000 sq. ft.	07	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17
Over 2000 sq. ft.	08	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18
Mill Construction	05	04	05	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15
Ordinary	04	04	04	04	05	05	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13	13
Frame	04	03	04	04	04	05	05	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13
STORIES																							
Fireproof	14	14	14	15	15	16	16	17	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24
Ordinary	11	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20	21
Ordinary & Plate	10	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20
Ordinary, no Basement	08	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18
SAFETY-BUILDING																							
Fireproof	24	23	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31	32	32	33	33	34	34
Protected	21	20	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31
Ordinary Brick	18	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
Ord. y. Brick & Veneer	19	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29
CHURCHES																							
Up to 1000 sq. ft.	04	04	04	05	05	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14
Over 1000 sq. ft.	03	03	04	04	04	05	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13	14
Under 1000 sq. ft.	07	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17
RESIDENCES																							
Brick Protected	19	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29
Veneer & Stone	16	15	16	16	17	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26
Frame, ordinary	15	14	15	15	16	16	17	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25
Shedlike, ordinary	13	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20	21	21	22	22	23
OFFICES & BARS																							
Fireproof	21	20	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31
Ordinary	18	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
ROCKS																							
Brick Protected	24	23	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31	32	32	33	33	34	34
Ordinary	19	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29
CLUBS & COMMUNITIES																							
Fireproof	21	20	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31
Ordinary Brick	18	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
SCHOOLS																							
Brick Protected	18	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
Ordinary	15	14	15	15	16	16	17	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25
HOSPITALS																							
Fireproof	22	20	22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31	32	32
Ordinary Brick	19	17	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28	28	29
CHURCH & TEMPLES																							
Brick Protected	13	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20	21	21	22	22	23
Ordinary	11	10	11	11	12	12	13	13	14	14	15	15	16	16	17	17	18	18	19	19	20	20	21
GARAGES																							
Fireproof	22	20	22	23	23	24	24	25	25	26	26	27	27	28	28	29	29	30	30	31	31	32	32
Brick Construction	18	17	18	18	19	19	20	20	21	21	22	22	23	23	24	24	25	25	26	26	27	27	28
Frame, rough lumber	07	06	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16	16	17
Frame, ordinary	06	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15	15	16
SHEDS—ROUGH LUMBER	05	04	05	05	06	06	07	07	08	08	09	09	10	10	11	11	12	12	13	13	14	14	15

NOTE: See footnote (overall) pneumonics, and average height where necessary.  
Rates shown are in cents per cubic foot. 1928 is indicated.  
Heating and lighting systems, plumbing, elevators, etc., are construction items necessary in large buildings, other equipment is not included.  
In rural and remote districts these rates may be five to ten percent high.

## PAY JEWELERS SAFETY FUND CLAIMS IN FULL

NEW YORK, June 27.—Through efficient handling by the insurance department of the affairs of the Jewelers Safety Fund Society of this city, which failed last October, creditors of the concern whose claims were approved will receive payment in full, plus interest, as soon as the report of Superintendent Beha is endorsed by the court, which is likely to be within a few days.

The defunct society specialized in the issuance of jewelers block policies, writing these for large amounts, under liberal forms and at rates considerably less than those charged by the orthodox companies. When its failure was announced there was a rush on the part of brokers controlling accounts previously carried by the Jewelers Safety to get proper protection from the stock offices, the assureds having had their fill of cheap indemnity. The assets in the hands of the liquidator June 15 totaled \$339,771, with allowed claims of \$250,786. Claims aggregating \$74,813 were disapproved.

## Given Suspended Sentences

Suspended sentences were given Irving T. Bernhardt, Finn Christenson and Fred Landon, convicted of soliciting insurance for unauthorized fire companies in New Jersey. The defendants, making headquarters in Newark, circularized the entire country offering to place business at cut rates.

## Plan to Entertain Commissioners

Rapid City, S. D., locally, and the Black Hills Association of Commercial Clubs, covering the towns of that section of the state, are taking the preliminary steps toward a proper reception for

the Insurance Commissioners' Convention to be held the week of Sept. 24. Besides the meeting at Rapid City, arrangements will be made to give the visitors a tour of the Black Hills, covering the territory between Hot Springs and Deadwood. This is not only to give the visitors a pleasant time in that part of the state, but to show them that the so-called "Hills" are in fact mountains, with a higher elevation than any of the mountains in the eastern part of the country, and are only classed as hills in comparison with the Rocky Mountain ranges farther west.

## Will Mean Rate Revision

Now that the new Nash models are upon the market, underwriters understand that manufacturers of the Buick, Hudson, Essex and possibly other makes of cars will shortly announce their new product. As the prices for the machines will differ from those charged for present models, it will mean a revision of insurance rates. Hence the interest of underwriters in the proposition.

## Gets Home Office Site

As a site for its intended new home office building the American of Newark has purchased the property at 13-17 Washington street, adjoining the Public Library building to the south. The company sold its present headquarters property to the Public Service Corporation several months ago, though it will continue to occupy it for at least two years more.

## Insurance Almanac Published

The "Weekly Underwriter," 80 Maiden Lane, New York, has gotten out the 1928 edition of the "Insurance Almanac," which is one of the most valuable reference books in the field. This is the largest edition that it has published, more than 1300 pages being given. The price of the book is \$3.





# Globe & Rutgers

## FIRE INSURANCE COMPANY



111 William St., New York City

JANUARY 1st, 1928

### ASSETS

Bonds and Mortgages	\$ 149,834.90
U. S. Liberty Bonds	519,200.00
Government, City, Railroad and other Bonds and Stocks	67,965,477.50
Cash in Banks and Office	3,052,132.11
Premiums in Course of Collection	8,309,190.10
Interest Accrued	143,939.12
Reinsurance Recoverable on Paid Losses	53,964.94
	<b>\$80,193,738.67</b>

### LIABILITIES

Capital	\$ 3,500,000.00
Surplus	29,514,599.03
Reinsurance Reserve	21,794,727.64
Losses in Course of Adjustment	9,905,412.00
Commissions and other Items	6,974,000.00
Reserve for Taxes and Depreciation	8,505,000.00
	<b>\$80,193,738.67</b>

Surplus to Policy Holders . . . \$33,014,599.03

Losses settled and paid since organization over \$225,000,000    Losses settled and paid 1927 .. \$21,409,822.82

### ISSUES POLICIES AGAINST

Fire, Marine, Tornado, Earthquake, Flood, Hail, Explosion, Riot and Civil Commotion, Sprinkler Leakage, Inland Marine Transportation, Parcel Post, Automobile

*Agents in Canada, Manila, Shanghai, London and Principal European Cities*

### E. C. Jameson, President

Lyman Candee, Vice-President  
W. H. Paulison, Vice-President  
J. H. Mulvehill, Vice-Pres. and Secy.  
J. D. Lester, Vice-President

A. H. Witthohn, Secretary  
A. G. Cassin, Assistant Secretary  
J. L. Hahn, Assistant Secretary  
M. J. Volkmann, Local Secretary

### Progress since Consolidation in 1899

	Assets	Reserves	Surplus
Dec. 31, 1899	\$529,282.59	\$28,832.54	\$2,028.94
Dec. 31, 1910	5,255,362.12	1,936,224.86	2,365,363.37
Dec. 31, 1920	42,765,374.55	16,593,764.16	11,361,311.89
Dec. 31, 1925	67,922,096.58	20,265,572.73	24,161,943.85
Dec. 31, 1927	80,193,738.67	21,794,727.64	29,514,599.03

**AUTOMOBILE DEPARTMENT**  
L. R. BOWDEN,  
95 Maiden Lane, New York City

**INLAND MARINE DEPT.**  
JONES & WHITLOCK, Agts.  
90 Maiden Lane, New York City

## ILLINOIS FIELD MEN IN ANNUAL SESSION

(CONTINUED FROM PAGE 9)

and A. D. Yeaton, western general agent of the New Hampshire.

In his annual presidential address Mr. Wallace recommended the continuance of the bulletins that have been used for several years. He said that new local boards have been formed during the year at Canton and Bloomington, and suggested that a speakers committee be formed subject to call from any local board in Illinois. He said that one of the glaring evils of today is the laxity and indifference shown in the collection of agency balances. J. L. Cassell, London, G. T. Mielke, Commercial Union and H. M. Zimmer, Home, were named as a committee on the presidents' address.

Telegrams of greetings were sent to N. E. Briggs, A. S. Jacobs, A. J. Meyer, and J. G. Stauffer. F. G. Cargill, J. J. Johnson and E. L. Seneco were made honorary members. Miss E. E. Edwards submitted her report as secretary and various other reports were heard.

At the semi-annual meeting the State Board voted to ask the governing com-

mittee whether the use of the co-insurance clause in connection with business written on churches, schools and possibly public buildings could not be made mandatory. This question was referred by the governing committee to J. V. Parker, manager of the Western Actuarial Bureau. Mr. Parker's letter to the State Board contained the opinion that the mandatory use of the coinsurance clause on such properties was excellent in theory but difficult in practice. Wherever efforts are made to enforce its use on risks of this type there usually results reaction and even legislation against it. Mr. Parker advised trying to get as much insurance to value as possible without making coinsurance obligatory.

### Illinois Field Club Meeting

Complaint was made that the class one agents of Chicago are writing business in suburban Chicago with forms that should be used only on properties within the city limits of Chicago. George A. Arens asked that the agency balance rule be made to apply to automobile and farm writing companies as well as others. This was referred to the balance committee.

John T. Harding of the Millers National wielded the presidential gavel at the Illinois Field Club meeting. Lloyd

W. Brown of the Firemens read the report of John E. Knapp, chairman of the delinquent agency balance committee. Mr. Knapp's report provoked much lively comment. In it he drew a comparison between the delinquent balance situation for the first six months of 1928 as compared with 1927. A distinct improvement for the first six months of this year was shown. At the conclusion of his report Mr. Knapp recommended that those few field men who are not cooperating with the balance committee be treated as non-existent, that they not be advised of proposed meetings or action, and that the committee proceed with its work without regard to them.

### Agency Balance Issue

There followed an extended discussion on agency balances. Some field men of a few bureau companies are not cooperating. Some of the speakers mentioned them by names. There were a few minutes of spicy repartee and charges of bad faith. It was finally decided not to alter the present rules but to try during the year to get the co-operation of the non-conformists to the existing regulations.

In his annual address as president Mr. Harding said that the changed business conditions of today called for new methods of handling. He gave it as his

opinion that cooperative and not individual efforts could solve most of the problems of today. He said that the attendance at the Field Club meetings had improved. More members were participating in the discussions. The organization was never in better shape.

Mr. Harding stated that the club's most important work during the year has been the more rigid enforcement of the delinquent agency balance rule. He urged field men to address commercial clubs and advocated the creation of a speakers' bureau or committee to arrange for field men to speak before civic organizations and local boards. Dan T. Smith, Milwaukee mechanics, John B. Tetlow, American and Lloyd H. Brown, Firemens, were appointed a committee on Mr. Harding's address.

Visiting company officials who were called upon for short talks were F. H. Jones, manager Illinois Inspection Bureau; John B. Cooney, assistant manager, Firemens; Earl S. Miller, manager Illinois Audit Bureau; Fred D. Hess, assistant manager, American; E. T. Tanner, executive assistant Security of New Haven and Fred W. Sullivan, superintendent of agents, Firemens.

### Blue Goose Meeting

All records for members admitted to the Blue Goose at any one meeting were broken when 25 applications were favorably voted upon. The new members accepted are: W. B. Flickinger, manager Philadelphia Fire & Marine; J. I. Naghten, vice-president Metropolitan Fire; E. G. Frazier, assistant manager, S. A. Goodman, agency superintendent, A. H. Riser, improved risk superintendent, M. E. Peterson, office superintendent, W. G. Snell, chief clerk, Springfield Fire & Marine; Ralph S. Danforth, agency superintendent, Millers National and R. R. Johnson, Illinois Inspection Bureau; A. E. Troliauski, Illinois Inspection Bureau; D. P. Coffman, New York Underwriters; W. J. Enz, Phenix, D. M. Vance, Royal; R. E. Schramm, Universal Automobile; J. H. Chapman, America Fore, J. Housling, Metropolitan; R. C. Milliron, Employers Fire; W. C. Miller, Hartford; W. H. McElliott, McCabe and Hengle, J. H. Butt, Niagara; H. O. Laughlin, Phoenix of Hartford; W. R. Connor, Netherlands; George M. Eddy, Fire Association and C. D. Minor, Liverpool & London & Globe.

### Entertainment Features

On Tuesday afternoon there was a baseball game, golf tournament and ladies card party. In the evening there was a vaudeville show with Frank Smith in charge as master of ceremonies. The final business sessions and election of officers were held Wednesday morning.

J. Harvey Patterson, manager of the Western Sprinklered Risk Association was the chief speaker at the Illinois Field Club meeting on Wednesday.

### Gilbert Leigh on Long Trip

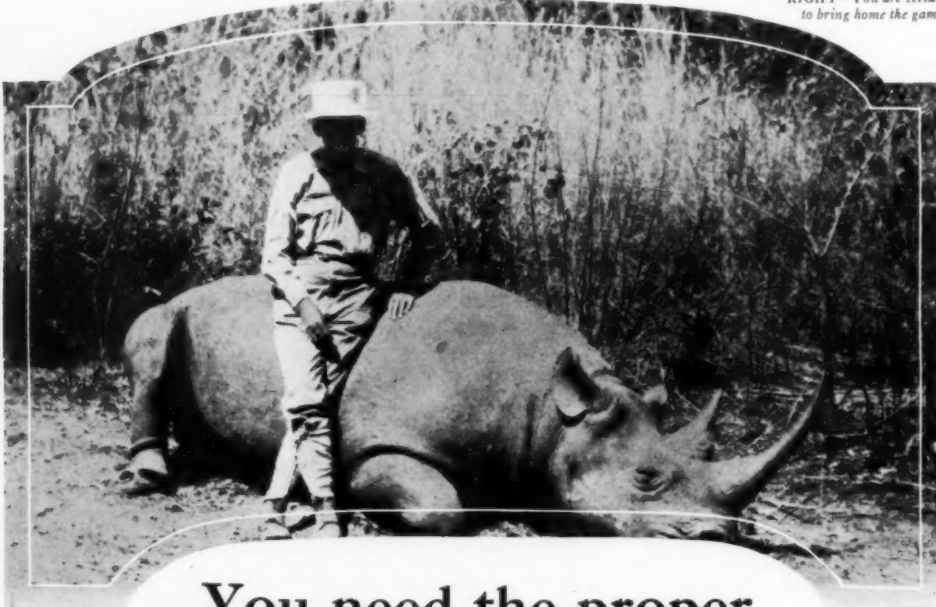
J. Gilbert Leigh of Little Rock, Arkansas general agent and recently elected president of the Association of Fire Insurance General Agents, will leave July 1 on an extended trip in the interests of the general agents' organization. He will go as far north as Vancouver and as far south as San Diego, Cal.

### Stratton With Salvage Company

G. F. Stratton, manager of the Boston office of the General Adjustment, has been elected vice-president of the Underwriters Salvage Company of New York and will assume his duties shortly. He graduated from Harvard in 1913. He was a member of four Harvard crews which defeated Yale. He took post graduate work at Columbia. He entered the service of the General Adjustment in 1919.

"I thank you" at the end of an address is too often an apology for a poor speech.

A Black Rhino—when you go after Big Game  
RIGHT—You are certain  
to bring home the game.



## You need the proper Weapons for a Big Game Hunt

**W**HEN you go after Automobile Insurance—Go after it right—Get a specialty automobile company in your agency—Get the company that best seems to fit into your agency—Write the Universal Automobile before making a choice—You'll never regret writing.

Go after automobile profits with complete equipment—for instance Universal writes collision in full coverage—\$50.00 deductible, \$100.00 deductible and 50% retention—public liability—any limits—property damage, plate glass, fire, theft, tornado and hail. Write for full particulars now.

**UNIVERSAL AUTOMOBILE  
INSURANCE COMPANY**  
A WORLD OF PROTECTION A SPECIALIZED SERVICE  
EDWARD T. HARRISON, PRESIDENT  
**DALLAS, TEXAS**



## CHANGES IN THE FIELD

### STATE HAS BEEN DIVIDED

#### Westchester Fire Makes Arrangements for Handling Its Work in Ohio—Boyd Is Secured

The Westchester Fire and Delaware have readjusted their Ohio field following the resignation of State Agent Frank E. Woods on account of ill health. Martin F. Johnson, who has been special agent, has been appointed state agent, taking the western part of Ohio with headquarters at Columbus. T. Kenneth Boyd, special agent of the Royal in Michigan, has been employed by the Westchester as state agent for the eastern part of Ohio with headquarters at Columbus.

#### D. S. Key

The Transcontinental has appointed D. S. Key as special agent for southwest Texas with headquarters in the Maverick building San Antonio. He was formerly with the state fire insurance commission as an expert rater.

#### Horace Maltby in Field

Horace B. Maltby, an examiner in the H. T. Lamey general agency at Denver, Colo., has been appointed special agent to succeed his brother, Harry C.

Maltby, who has been field man for Mr. Lamey for a number of years but is going with the Great American fleet in the mountain states. This is the third member of the Maltby family that the Lamey office has initiated. Ernest C. Maltby, the older brother, is now state agent of the Automobile in the mountain field. He started with Mr. Lamey as an office boy.

#### Automobile's Eastern Changes

Two eastern field department changes are announced by the Automobile of Hartford. Christen Moller, state agent in New Jersey for several years, has resigned and his territory is being absorbed by F. C. Gieb, special agent at Newark, who is also manager of the Newark branch fire department of the Aetna Life and affiliated companies. E. E. Leyda, special agent at Pittsburgh, has resigned. His successor has not been announced.

#### R. K. Hill

R. K. Hill has been appointed special agent in Wisconsin for the Springfield Fire & Marine, and will make his headquarters with the Leedom, Miller & Noyes agency at Milwaukee. He succeeds George Olson, who has gone to Albuquerque, N. M., to become an independent adjuster. Mr. Hill has been an examiner in the western department.

## VIEWED FROM NEW YORK

By GEORGE A. WATSON

### NORTH BRITISH OUTING

Employees of the North British & Mercantile, together with their guests, numbering nearly 1,000 in all, held their sixth annual outing at Roton Point, Conn., last Thursday. Despite the inclemency of the weather, which prevented the carrying out of a number of the scheduled features, the affair was a pronounced success. The main event, the baseball game between the all-brokers team organized by Charles Weller, manager of the company's brokerage and service department, and the regular North British team, however, took place, the former winning by a 3-0 score.

### ASSESSMENT RULE ADOPTED

At its regular monthly meeting the New York Board adopted the following resolution on its methods of making assessments for general expense:

"Resolved, that in the future, assessments for the general expenses of the New York Board be based on the premium income for the territory located in the borough of Manhattan and in the borough of the Bronx, west of the Bronx river, and in the borough of Brooklyn, and in Long Island City, and on the American dock stores and piers in the borough of Richmond, all in the City of New York."

The territory that will be covered to make the New York Board's assessment is identical with that covered by the New York Insurance Exchange.

### ANCHOR IS LICENSED

License for the Anchor of Providence, recently organized running mate of the Providence Washington, has been issued by the New York department. The Anchor will do fire and marine business. It starts with capital of \$500,000 and surplus of \$750,000.

Fred S. James & Co., New York City, have been appointed agents for the Anchor. The company will write the same classes of business as its parent company, fire, marine and automobile. Officers of the company are: President, C. D. Dunlop; vice-presidents, G. C. House and W. E. Maynard; secretary,

R. S. Duncombe; chairman of the board, J. B. Branch.

### BROKERAGE DEPARTMENT MOVES

The brokerage and service departments of the National Liberty group, Henry F. Lahr, manager, have moved to new quarters at 135 William street, from 21 Platt street.

Mr. Lahr became manager of the brokerage department about two months ago. He was formerly connected with the Northern Assurance Co.

### GET ROCHESTER AMERICAN

Fred S. James & Co. of New York City have been appointed metropolitan agents of the Rochester American. They represent the Fred S. James & Co. companies, General Fire, Urbaine Fire, and Eagle Star & British Dominions. In addition they have the Victory of Philadelphia, Caledonian-American and the Anchor of Providence.

### GOES WITH NATIONAL LIBERTY

The National Liberty has announced the appointment of Harry W. Seller as manager of its uptown branch located at 41 East 42nd street, New York. Mr. Seller was formerly associated with Ogden & Fay, having been in charge its underwriting department since 1920. His experience in the insurance business dates to 1906 when he joined the firm of John D. Wyeth & Co. A year later he went with W. L. Perrin & Son as junior clerk and served that concern in various capacities. For two years prior to working with Ogden & Fay, he acted as counterman for Neuman & MacBain.

### PRESIDENT MARSHALL BACK

James Marshall, president of the Northern of New York, and Mrs. Marshall, who have been abroad for some weeks, have returned home.

### HOWE JOINS PUBLIC FIRE

Walter C. Howe, Jr., has been appointed underwriter for the New York suburban department of the Public Fire. His associate is Special Agent John P.

Guinness, Jr. Mr. Howe has been special agent for the Home of New York in eastern New York state. Previously he was a special agent of the Home in the New York suburban territory and before taking the special agency post he was an underwriter for the New York suburban territory in the home office of the Home.

### BERESFORD IS REELECTED

Percival Beresford, United States manager of the Phoenix of London, has been reelected chairman of the National



PERCIVAL BERESFORD

Board. This action was taken when the new executive committee of the board held its first meeting. The Lion Fire and the Long Island Fire of Brooklyn

were elected members of the board. It is expected the executive board will not meet again until September.

### ORGANIZING GERMANIC FIRE

Notice of intention to organize the Germanic Fire of New York was published this week. This is to be the third member of the International Germanic group launched in 1897. Interests associated with the International Germanic Trust Company and International Germanic Company are back of the new insurance company which will have a capital of 100,000 shares at \$10 par to be sold at \$25. This will give it \$1,000,000 capital and \$1,500,000 surplus.

Harold G. Aron, president of the International Germanic Company and chairman of the board of the International Germanic Trust Company, said regarding the new enterprise:

"Those of us who have considered the subject are convinced that there is room for the Germanic Fire Insurance Company. While it is frequently said that the substantial amount of new capital, which has gone into insurance companies and the formation of several new companies has preoccupied the field so that there is no need for newcomers in the insurance world, nevertheless the fact remains, so far as fire insurance is concerned, that new construction in this country and changes which have taken place in the last ten years have, I think it is safe to say, increased insurable values by billions of dollars."

Among those signing the notice of intention to organize are C. E. Albright, director Allis Chalmers Manufacturing Company and First Wisconsin National Bank, Milwaukee, and Fred C. Pritzlaff, president of John C. Pritzlaff Hardware Company and director First Wisconsin National Bank, Milwaukee.

## AS SEEN FROM CHICAGO

### STREET ON ADJUSTERS

Considerable interest was taken in the observations of Vice-president Charles R. Street of the Great American on independent adjusters at the meeting of the Indiana field men last week. Mr. Street is giving much attention to loss matters. He has a great respect for the capable independent adjusters. He states that some of the independent men are as strong, satisfactory and efficient as any adjuster connected with the bureaus. In fact he said that some of the independent adjusters keep the bureau men on their toes. Mr. Street did criticize the tendency of men who get out of regular insurance work and who have no special fitness for adjusting, taking up independent loss work as a last report. He thinks there are too many weak and inefficient independent adjusters in the field, but he gives recognition to the really competent men in this line.

### COMMITTEE HAS HOPES

The joint committee of the Chicago Board, Western Union and Western Insurance Bureau that is working on the commission situation in Chicago held a meeting last Thursday and will meet again Friday. All members of the committee were present. There is a general feeling of optimism, the members declaring that it looks now as if some program can be devised that will meet the situation satisfactorily.

It is a difficult task to adjust the various conditions in Chicago where there is a large suburban territory with hundreds of Class 2 policy writing agents. There are also a large number of brokers and solicitors. Some agents are devoting themselves pretty much to supervising the business of others. Other agencies depend on their directly controlled risks. Some companies have branch offices in charge of salaried man-

agers, supervising the county and local business. Altogether the situation is complicated.

### TWO OLD FAMILIES ASSOCIATED

Two old time Royal families are again associated. P. B. Cadman, who just graduated from Rollins College at Winter Park, Fla., with a degree of bachelor of science joins the western department of the Royal at Chicago. His father, P. W. Cadman, started with the Royal in Cincinnati under the old Law general agency in 1883. When Law Brothers became managers of the combined department at Chicago, he continued with the company later becoming assistant manager. Mr. Cadman retired in 1921 and since then has been living at Keystone Heights, Fla. He and Mrs. Cadman are in Chicago for three weeks and then will visit Cincinnati before returning south. The elder Cadman was thus associated for many years with the brothers Law. His son now becomes connected with the Royal under Elwin W. Law, manager, son of George W. Law, who until his death was western manager. Young Cadman was a member of Theta Kappa Nu fraternity at Rollins College.

### FOHR THIRD VICE-PRESIDENT

Louis J. Fohr, one of the general agents of the Connecticut Mutual Life in Chicago, has been elected third vice-president of the Insurance Club of Chicago. The by-laws were amended to provide for this office. Thus the three great divisions of insurance, fire, casualty and life are provided for in vice-presidential positions. President John F. Stafford of the club intends to have a very aggressive membership campaign to be conducted throughout the summer and end Oct. 15. Mr. Stafford has announced that he will donate a watch to the man who secures the largest number

# AMERICAN AUTOMOBILE INSURANCE COMPANY

St. Louis

L. A. HARRIS  
PRESIDENT

ALL KINDS  
of INSURANCE  
on AUTOMOBILES

CAPITAL & SURPLUS . . \$3,260,936.98  
RESERVES . . . . . 7,014,294.65  
TOTAL ASSETS (JAN. 1, 1928) 10,275,231.63

of new members. During the last two weeks there have been 18 new members elected. The Insurance Club's golf tournament will be held Thursday of this week at the Oak Hills Golf Club, it being the first of a series of four.

## INSURANCE STOCK QUOTATIONS

H. W. Cornelius of Lewis, Dewes & Co., investment house of Chicago, announces the following insurance stock quotations as of June 25:

Stock	Par	Bid	Asked	Div. per share
Aetna Cas. & Sur.	100	1000	1100	\$12.00
Aetna Fire	100	740	760	24.00
Aetna Life	100	810	830	12.00
Agricul.	25	120	130	4.00
Allemania	50	350	350	10.00
Alliance, Pa.	10	77	84	2.00
Amer. Alliance	100	500	550	16.00
Amer. Auto.	10	65	...	2.00
Amer. Drug	25	80	83	3.00
Amer. Equit.	5	31	35	1.50
Amer. N. J.	5	31	33	1.00
Amer. Reserve	10	85	92	3.00
Amer. Salaman.	50	75	78	2.50
Amer. Surety	50	290	310	12.00
Automobile	100	370	390	...
Bako. Amer.	10	80	85	1.80
Bank. Indem.	5	24 1/2	25 1/2	...
Bank. & Ship.	100	540	590	18.00
Boston	1000	1000	1100	18.00
Brooklyn Fire	25	100	107	...
Buffalo	100	420	450	13.00
Camden	5	30	33	.95
Carolina	10	...	65	1.40
Cent. West Cas.	50	75	82	2.00
Chicago F. & M.	10	15	18 1/2	...
Chgo. Nat. Life	10	20	...	...
City of N. Y.	100	600	650	16.00
Colonial State	10	22	27	...
Col. Natl.	25	18	22	...
Commer. Cas.	10	50	55	1.60
Commonwealth	100	700	...	20.00
Constl. Indem.	10	30	37	...
Cont. Cas.	10	70	73	1.60
Continental	10	76	79	2.00
Detroit F. & S.	50	68	75	4.00
Detroit F. & M.	100	265	...	10.00
Detroit National	25	18	22	1.00
Dubuque F. & M.	100	...	...	20.00
Eagle, N. J.	20	95	100	4.00
Excelsior	5	...	...	...
Federal, N. J.	100	1400	1430	20.00
Federal Surety	25	...	...	...
Fidelity & Cas.	25	195	205	5.00
Fidelity & Dep.	50	282	290	8.00
Fidelity-Phen.	10	76	79	...
Fire Assn.	10	50	51	2.50
Fireman's Fund	25	110	116	5.00
Firemen's	10	51	54	2.20
Franklin Fire	25	360	380	8.00
Gen. Cas. & Sur.	50	...	...	...
General Surety	25	150	170	...
Georgia Cas.	10	23	25	1.60
Glens Falls	10	56	60	1.60
Globe & Rutg.	100	2600	2700	44.00
Gt. Amer. Cas.	25	15	20	...
Gt. Amer. Ind.	10	78	83	...
Great Amer.	10	48	52	1.60
Great Lakes	10	12	15	1.00
Guardian Fire	25	107	112	5.00
Halifax Fire	10	41	46	.60
Hanover Fire	10	78	82	1.00
Harmonia	10	65	70	1.40
Hartford Fire	100	800	820	20.00
Hfd. St. Boiler	100	...	800	18.00
Henry Clay	10	11 1/2	...	.60
Home, N. Y.	100	575	585	20.00
Homestead Fire	10	42	48	.60
Hudson Cas.	10	10 1/2	12 1/2	.10
Imp. & Exp.	25	88	93	4.00
Independ. Ind.	10	30	33	.50
Independ. Fire	10	19	22	.60
Ins. Co., N. A.	10	76	78	2.00
Iowa Natl.	100	150	...	8.00
Iroquois Fire	50	...	40	...
Lincoln, N. Y.	20	100	110	4.50
Lloyds Pl. Glass	100	310	320	14.00
Maryland Cas.	25	168	175	1.85
Mass. Bond	100	550	600	12.00
Merch. com.	25	350	...	8.00
Merch. pfd.	100	126	...	7.00
Mechanics	25	100	...	2.50
Mer. & Mfrs. Ins.	5	20	25	...
Metrop. Cas.	25	95	99	4.00
Metrop. Fire	10	9	11	1.00
Mich. F. & M.	50	320	340	5.00
Milwauk. Mech.	10	46	52	1.80
Mohawk Fire	25	52	57	...
Natl. Cas.	10	48	52	1.20
National, Ct.	100	1000	1100	25.00
National Liberty	5	84	92	2.00
National Union	100	325	365	12.00
Natl. Surety	100	295	300	10.00
New Amsterdam	10	71	73	2.80
New Brunswick	10	54	59	...
New Cent. Cas.	50	...	...	5.00
New Eng. Fire	20	50	55	3.00
New Hampshire	100	500	550	16.00
New Jersey	20	60	68	1.80
New York Cas.	25	93	100	4.00
Niagara Fire	25	120	130	...
Northern, N. Y.	25	...	145	3.75
North River	25	...	340	7.75
N. W. Natl.	25	185	195	...
Occidental	10	30	32	...
Pacific Fire	25	150	175	4.00
Pacific Indem.	50	195	200	...
Pacific Mut. Lf.	100	890	925	20.00
People's Natl.	10	50	55	1.25
Phila. Natl.	10	22	26	...
Phoenix, Ct.	100	725	750	20.00
Pioneer Fire	20	20	...	...
Preferred Accl.	100	540	560	12.00
Pres. F. & M.	25	28 1/2	...	...
Prov. Wash.	100	780	800	6.00
Public, N. J.	5	25	29	...
Reliance, Pa.	10	28	30	1.20
Rhode Island	100	340	370	12.00

Stock	Par	Bid	Asked	Div. per share
Rosalia	25	154	157	6.00
Seaboard Surety	10	20	22	...
Security, Ct.	25	125	135	3.00
Southern Sur.	10	34	38	1.60
Sprgfd. F. & M.	25	210	225	4.00
St. Paul F. & M.	25	185	195	4.00
Stuyvesant	100	285	310	6.00
Sylvania Fire	10	29	33	...
Transportation	25	45	50	...
Travelers	100	1675	1725	22.00
United States	10	88	93	...
U. S. Casualty	100	...	450	10.00
U. S. Fid. & Gr.	50	400	430	10.00
U. S. Mer. & Sh.	100	470	500	8.00
Universal	25	83	86	3.50
Victory	10	27	30	1.20
Virginia F. & M.	25	130	145	4.50
Vulcan	100	150	...	12.00
Westchester	10	79	83	2.50

## ENTERING MORE STATES

The Universal of Newark, under the western management of H. W. Murray of Chicago, has been admitted to Michigan. In Mr. Murray's territory the company is now operating in Illinois, Indiana, Ohio and Michigan.

A. S. Jacobs, Chicago and Cook county manager of the Queen, who has been disabled and unable to get about since last November, is now at the Hinsdale Sanitarium at Hinsdale, Ill.

## Peculiar Case Decided

Whether Loss of Property Inadvertently Burned in Furnace was Covered by Insurance Policy. This was an action on a fire insurance policy insuring plaintiff "against all wreck, loss or damage by fire." The question was whether recovery could be had where a servant of the assured inadvertently placed assured's jewelry in a furnace fire for heating the residence of the assured, and said jewelry was destroyed or damaged by a fire wholly confined to such furnace.

Held, that the lower court erred in holding that the insurance company was liable for the damage to the jewelry, for the damage was due to a friendly fire for which the insurance company was not liable. In so holding the court followed the only other case ever decided on this precise question, namely, *Weiner vs. St. Paul, etc., 207 N. Y. S. 279, affirmed 210 N. Y. S. 935*. The contract of insurance contemplated that the insurer would pay to the insured the damages for all direct loss proximately caused by fire within the meaning of the policy. A friendly fire which is confined to the usual and ordinary place such as the range, grate or furnace, and as such not a fugitive one, is not within the contemplation of the contract of insurance. *Reliance Ins. Co. vs. Naman, Supreme Court of Texas*.

## OPPORTUNITIES

### Fire Insurance Inspector

Wanted by local agency Service Department at Chicago. Prefer college trained man, 25 to 35 years old, with at least two years active Dean field practice. Further local or general agency service experience is desirable but not required. Applications, which will be held confidential, should give full description, qualifications, references, and desired salary. Address F-93, care The National Underwriter.

### WANTED

A Michigan Stock Company specializing in Automobile Insurance is about to start development work in Ohio and has an attractive opening for a field man acquainted with Ohio Agents. Give full particulars about yourself. Address F-95, care The National Underwriter.

8c a week is the cost of The National Underwriter by annual subscription. 15

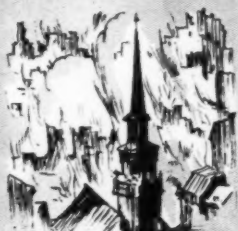




SAVANNAH, GA.  
June 10, 1820  
Property loss \$5,000,000.



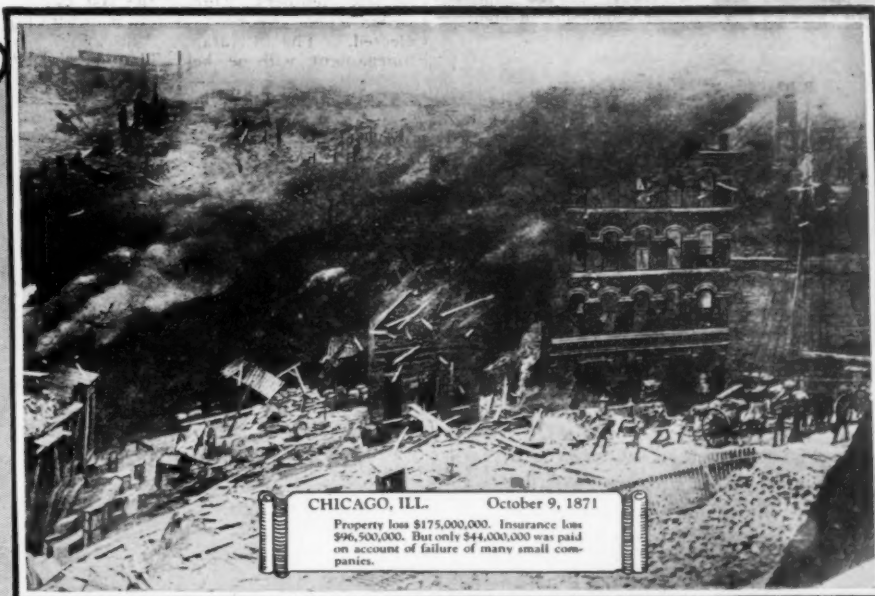
PORTLAND, ME.  
July 4, 1866  
Property loss \$10,000,000. A Fire Cracker the cause of it all!



BOSTON, MASS.  
November 9, 1872  
Property loss \$75,000,000. Insurance loss \$60,000,000, of which only \$36,000,000 was paid, as fire insurance companies had then no conflagration funds and many which survived the Chicago disaster were forced into bankruptcy in Boston.



JACKSONVILLE, FLA.  
May 3, 1901  
Property loss \$10,000,000.



CHICAGO, ILL. October 9, 1871  
Property loss \$175,000,000. Insurance loss \$96,500,000. But only \$44,000,000 was paid on account of failure of many small companies.



NEW YORK CITY, N. Y.  
December 6, 1835  
Property loss \$20,000,000. 674 buildings—60 acres.



BALTIMORE, MD.  
February 7, 8, 1904  
Property loss \$50,000,000. Many so-called fireproof buildings in the business district were destroyed.



CHELSEA, MASS.  
April 12, 1908  
Property loss \$10,000,000.



BERKELEY, CALIF.  
September 17, 1923  
Property loss \$10,000,000.

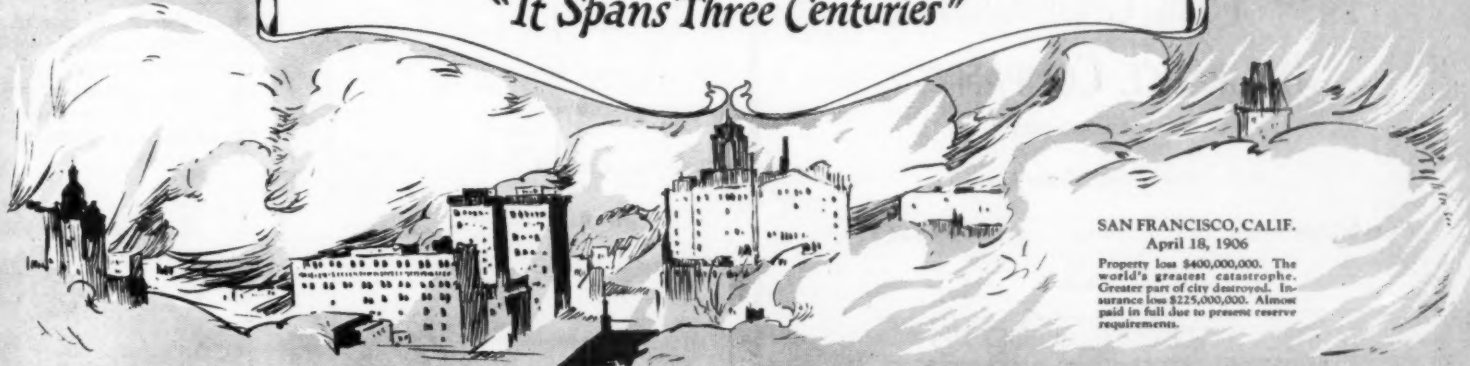
## Tested by Every Major American Conflagration and Never Found Wanting

Since its organization in 1799 the Providence Washington has never faltered in the honorable discharge of its contracts. It has come through every major American conflagration with a spotless record. It has always met its obligations promptly and satisfactorily.

The "P-W" has a reputation for dependability. It is the sort of a company that an agent can tie to without any hesitation. Its record in the past is the surest guarantee of what it is going to do in the future.

**PROVIDENCE WASHINGTON  
INSURANCE COMPANY**  
PROVIDENCE, RHODE ISLAND

*"It Spans Three Centuries"*



SAN FRANCISCO, CALIF.  
April 18, 1906

Property loss \$400,000,000. The world's greatest catastrophe. Greater part of city destroyed. Insurance loss \$225,000,000. Almost paid in full due to present reserve requirements.

## Before the Ashes Are Cold

Consider the saving of valuable time following a loss if you have equipped your client with charts, maps, detailed specifications and present day values of his entire plant.

He can start ordering new equipment at once, knowing full well that The Lloyd-Thomas \*appraisal report which he holds is authoritative, accurate and up to the minute. He will have available for the use of adjusters, a concise report prepared upon the same basis as is used by adjusters in making their valuations.

A Lloyd-Thomas \*appraisal is your logical choice, for the insurable value is provable in every instance.

**"WHAT IS AN APPRAISAL?"**—It is a complete classified inventory of insurable property (except stock merchandise and raw materials). Each item of property is valued at today's cost to replace new. The amount of accrued depreciation is determined and the sound insurable value is given.

**"ITS ADVANTAGES"**—1st—It discovers insurable values that have long been written off the books through unscientific depreciation—2nd—It gives the agent, the assured, and the companies value facts of property. 3rd—It makes for adequate insurance protection, for in nearly every instance it calls for additional insurance.

**The Lloyd-Thomas Co.**

RECOGNIZED AUTHORITIES ON PHYSICAL VALUES

APPRAISAL ENGINEERS

4411 Ravenswood Ave., Chicago  
120 Broadway, New York

Cincinnati  
St. Louis  
Denver  
Washington

Cleveland  
Milwaukee  
Toronto  
Los Angeles

Detroit  
Pittsburgh  
Minneapolis  
Atlanta

Indianapolis  
Memphis  
Kansas City  
Des Moines

## NEW YORK UNDERWRITERS INSURANCE COMPANY

CAPITAL \$2,000,000

A. & J. H. STODDART, General Agents

100 William Street

New York City

FIRE - AUTOMOBILE - WINDSTORM  
BUSINESS INTERRUPTION INDEMNITY

## GEORGIA ASSOCIATION PRESIDENT REVIEWS YEAR

### DISCUSSES FARM INSURANCE

Endorses Contingent Commission Based  
On Agency's Total Business to  
Reward Careful Underwriting

President Albert R. Menard told the Georgia Association of Insurance Agents in his annual report that there was a notable tendency on the part of some companies to "loosen up" a little on their hitherto careful underwriting. He said that he did not believe that the tendency is anything more than a normal reaction to the recent abnormal investment gains and that it is not an indication of an ultimate return to the former unsound condition.

"It is my observation that good agents everywhere are cooperating with their companies in a most unselfish manner in an effort to make the business which they have produced show a profit," said Mr. Menard. "There are many advantages to intelligent under-



ALBERT R. MENARD

Retiring President Georgia Association

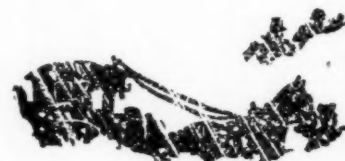
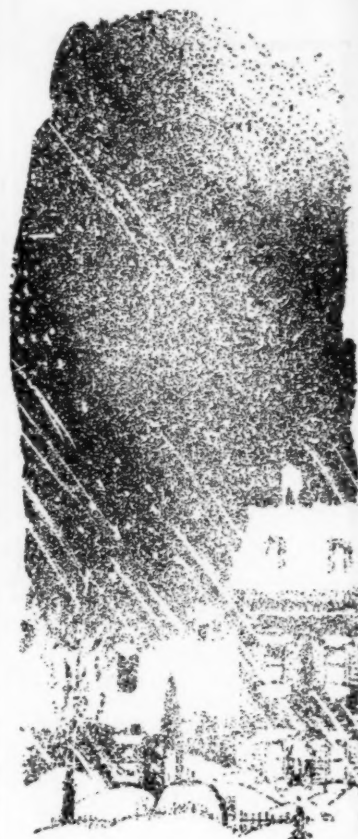
writing at the source, so there should be provided a reward for it. Insurance is the only business that I know of wherein an agent is paid equally as much for losing money for his principal as he is when making money; where volume alone, irrespective of profit or loss, is the secret of success."

Mr. Menard said that he had not changed his old views regarding contingent commission. He said that the old plan was impractical and could never succeed, but he did believe that contingent commission plan based on the agency's total business, rather than using the individual company as a unit, would prove practical. He recommended that the convention instruct the incoming officers to investigate the important plans of contingent commission.

### Refers to Farm Problem

"One of the most troublesome problems that we, as agents, have had during the past year," said President Menard, "has been to provide cover for country property. All companies are avoiding it, a majority of companies are declining to assume it at all, and those companies that are writing it are doing so in a limited way and in large part strictly as an accommodation. And yet there are, according to the United States Department of Agriculture, approximately 2,000 mutuals and cooperatives writing nothing but country property at very low rates and with excellent loss experience. This is a problem of mutual and cooperative competition which companies and agents must approach and meet in a mutually cooperative manner. The companies should provide protection in all cases where the applicant is entitled

(CONTINUED ON PAGE 63)



On March 10-11 the  
famed Blizzard of 1888

**S**NOW, blinding, driving, drifting snow. Piled up by the wind, five, ten, twenty feet deep. Three days of this white plague. Traffic ceased; thousands marooned away from their homes and businesses, wherever they happened to be when this blizzard of '88 swooped down upon the Atlantic and Northeastern states.

This one of Nature's furies is seldom so disastrous. The others, however, among them fire, hail and windstorm, are often highly disastrous. The Home, now celebrating its Seventy-fifth Anniversary, combats these ravages of Nature with the security of sound insurance.

**THE HOME  
INSURANCE COMPANY  
NEW YORK**

—Seventy-fifth Anniversary Year—





1720 1928  
**LONDON ASSURANCE CORPORATION**

U. S. BRANCH

84 William Street - - New York City

JOHN H. PACKARD, United States Manager

EVERETT W. NOURSE, Asst. Manager

OVER A HALF CENTURY IN THE UNITED STATES

**A Steady Keel Is Most Appreciated  
 When Most Needed**

For over two hundred years the London Assurance has ridden over every difficulty—through every storm—with an ever steady keel.

Over two centuries of faithful service to agents and policyholders is the good old "London Assurance" record. Of its reputation so well earned, it is pardonably proud. Never shall this organization by any word or deed suffer it to be marred.

Closely allied with the London Assurance, sharing in its ideals of service, is the Manhattan Fire & Marine, the running mate of the parent organization. It is as dependable and financially able as the old London Assurance itself.

*Companies of Steady Keel—You will  
 enjoy having them in your agency.*

**THE MANHATTAN FIRE & MARINE INSURANCE CO.**

150 WILLIAM STREET - - NEW YORK CITY

John H. Packard, President

Everett W. Nourse,  
 Vice-President  
 Frederick A. Johnston,  
 Secretary

J. M. Mendell,  
 Vice-President  
 Wm. Schaefer,  
 Asst. Secretary



## TENNESSEE FIELD MEN HOLD ANNUAL MEETING

(CONTINUED FROM PAGE 5)

isolated. He prophesied collections will improve under the new rules. The audit bureau has not yet reached a state of perfection, he said, but it is a valuable business activity meriting support.

W. P. Rankin of the National Security, secretary-treasurer of the Underwriters Association, in his report announced that the bulletin work was in good order and the undesirable risk notice plan was working well. Seven members died during the year and six new members were elected making a total membership of 67.

### R. E. Bolling Heads Organization

R. E. Bolling, Jr., of the Fireman's Fund was elected president, succeeding W. P. Steele. Mr. Bolling had been vice-president. Other officers named are: H. P. North, Springfield, vice-president; W. P. Rankin, National Security, reelected secretary-treasurer. Executive committee members are: H. A. Ammonette, St. Paul F. & M.; H. D. Forrester, Liverpool & London & Globe, for two years; and E. W. Hatcher, Scottish Union; N. B. Berry, Aetna, one year with G. W. Harbison,

Continental, holding over for another year.

The Kentucky-Tennessee Field Club held an important and harmonious session, voting to split into two associations because of the growing size of the body and the desire of members to have an organization for each state; also the fields are now so divided that the majority of Bureau field men no longer travel both states. Consequently the old club after several years of commendable activity was brought to a close and the Tennessee Bureau Field Club organized with Bruce Gibson of the National Liberty as the first president. E. T. Lawrence of the Camden was elected vice-president and William Egel of the Crum & Forster group, secretary-treasurer. A committee with H. J. Whittier of the Rhode Island as chairman, was named to draw up a constitution and by-laws. Henry Roberts, Firemen's of Newark and Leon McGilton, American of Newark, are other members of the committee. The Kentucky field club will organize at a later date.

### Enthusiastic Over Plan

Reports of activities of the old club for the year showed excellent progress and complete cooperation among members. There was almost 100 percent attendance and members are enthusiastic

over the prospects of building two strong organizations in Kentucky and Tennessee under the new plan, both to be as effective and active as the old body. The Bureau companies' men have had little or no trouble they say in enforcing their 90 day collection rule which has been in effect for some time in their agencies, there being complete cooperation. Several visitors spoke at the meeting of the club among them being J. Harvey Patterson of Chicago, manager of the Western Sprinklered Risk Association, and Burns MacDonald, Tennessee and Kentucky manager for that association. Manager F. B. Quackenboss and Capt. E. T. Holman, chief inspector of the Tennessee Inspection Bureau, and John F. Lee, superintendent of the Tennessee Audit Bureau, addressed the meeting on the activities of their offices.

John F. Stafford, Sun of London manager, who is a great favorite with the Tennessee field men, addressed the joint meeting Thursday morning as a representative of the Union. He praised the spirit of cooperation in Tennessee and showed that goodfellowship is eliminating questionable practices. J. Harvey Patterson of the Sprinklered Risk Association also spoke, urging the field men always to be students of the business and keep

abreast of the times in their business. He recommended that a great insurance university be undertaken as a source of supply of the future brains of the business.

### Fire Preventionists Lively

The meeting of the Tennessee Fire Prevention Association was probably the liveliest of any session, for when President J. C. Schmitt, Home of New York special agent, took the chair, he strongly criticized the members for failure to support the association and its work during the past year by not attending town inspections after all had been arranged. Five meetings were held during the year. He pointed out that the field men are not appreciating the value of such meetings in creating a favorable public attitude toward the business. Secretary Rankin reported in detail the results of the inspections held during the year. Richard E. Vernor, manager of the fire prevention department of the Western Actuarial Bureau, was the principal speaker at the meeting, and dwelt at length upon the public angles of fire insurance and the important position of the field men in fire prevention work. He urged the field men to start the new year with better support for the work of their association. Capt. E. T. Holman of the Tennessee Inspection Bureau spoke along the same lines. The election of officers resulted as follows: President, H. A. Ammonette, St. Paul; vice-president, W. T. Huff, Aetna; secretary-treasurer, W. P. Rankin, National Security; executive committee chairman, Henry Roberts, Firemen's of Newark.

### Blue Goose Elects

The annual meeting of the Tennessee Blue Goose closed the sessions, and the following officers were elected: R. E. Bolling, Jr., Fireman's Fund, most loyal gander; Bruce Gibson, National Liberty, supervisor; R. C. Wade, State of Pennsylvania, custodian; F. C. Ellis, guardian of the nest; F. A. Henry, Jr., Stuyvesant, keeper; and E. F. Hatcher, Scottish Union, wielder. R. E. Bolling, Jr., was named delegate with Bruce Gibson alternate to attend the grand nest meeting. The group life insurance plan of the order was explained to members and the majority signed up immediately. R. E. Vernor as deputy most loyal grand gander presented the best wishes of the grand nest. A stag smoker will be held by the pond at an early date in Nashville.

### MUST FILE THE INCOME TAX

Bureau of Internal Revenue Promulgates Ruling on State Insurance Commissioners Liquidation Transactions

The general counsel for the Bureau of Internal Revenue at Washington has ruled that the superintendent of insurance of New York is required by statute to file returns of income of an insurance company which he is liquidating. The general counsel says that the method of liquidating insurance companies under the New York law seems to differ in no essential from the method prescribed by the statutes of many states for the liquidation of insolvent banks through the state officer who has general supervision over state banks. The bureau has always considered such a permanent officer as a receiver when acting in the liquidation of a bank. This has been definitely decided, the general counsel says, by the United States Board of Tax Appeals in the case of Clifton City Bank vs. Commissioner of Internal Revenue where numerous authorities to this effect are cited.

### Would Increase Farm Rates

Because of added hazards induced through the storage of automobiles in barns, poor electric light equipment and other factors, rates upon farm properties throughout the country should be increased, according to Henry Gilbert, mutual fire agent of Harrisburg, Pa.



Sell  
Complete  
Automobile  
Protection

FIRE—THEFT—TORNADO  
PUBLIC LIABILITY—PROPERTY  
DAMAGE AND COLLISION

WRITE FOR ATTRACTIVE  
AGENCY PROPOSITION!

The Western Automobile Insurance Co.  
The Western Automobile Casualty Co.  
The Western Fire Insurance Co.

THE  
**WESTERN**  
INSURANCE COMPANIES  
FORT SCOTT, KANSAS

- Established 1910 -



FIRE — AUTOMOBILE — WINDSTORM — SPRINKLER LEAKAGE — MARINE



# QUEEN

Ins. Co. of America

Queen Agents from ocean to ocean  
are safeguarding with Good Insurance  
the Capital and Savings represented  
in the Industries, Commerce, and  
Homes of America.

INCORPORATED IN NEW YORK STATE 1891

**CAPITAL \$5,000,000**

HEAD OFFICE: 150 WILLIAM STREET, NEW YORK CITY

WESTERN DEPARTMENT  
F. P. HAMILTON, MANAGER  
CHICAGO

SOUTHERN DEPARTMENT  
S. Y. TUPPER, MANAGER  
ATLANTA

PACIFIC COAST DEPARTMENT  
H. R. BURKE, MANAGER  
SAN FRANCISCO

USE AND OCCUPANCY — RIOT AND CIVIL COMMOTION — PERSONAL EFFECTS FLOATER

# My Commission Increased

JAN		EXPIRES		NAME OF ASSURED	
MONTH	DAY	YEAR	DAY	<del>10</del> Furniture Co.	
1928	22			LOCATION	AMOUNT \$22,000.00
POLICY NO.	COMPANY	PROPERTY		PREMIUM	356.44
18679	G.L.	Fire Plant		RATE	1.62
				TERM	
				REGISTER	
				FORM	
BROKER					

At the left is a reproduction of the agent's assured's line card showing that he controlled only \$22,000.00 of the \$185,000.00 of Fire Insurance carried on the furniture factory before he suggested that they install an automatic sprinkler system.

The balance of their \$185,000.00 of Fire Insurance was scattered "all over town." It was all on an annual basis and the rate was \$1.62 a hundred. No Tornado or U. & O. Insurance was carried.

"SIX months ago, almost to the day, I decided to see if there was anything in this much talked about "Sprinkler service." I approached the Furniture Company here with the thought of finding out if there was anything to it. They carried \$185,000.00 of fire insurance on their plant, no Tornado as they 'couldn't afford it' even when they know Tornadoes are not unusual hereabouts. Like in all towns of this size, their insurance was scattered all over town, I having a \$22,000.00 fire policy on which I made an annual commission of a little over \$53.00.

"As their plant was running to capacity, it wasn't much of a trick to interest them in automatic sprinklers when I showed them how much profit they would lose if a fire hit them now. Their interest increased when I showed them the efficiency record of automatic sprinklers. When I took a chance and said that the savings in fire insurance premiums would pay for the system in about seven years, they immediately authorized me to submit a complete proposition in detail.

"I got busy and when their fire insurance rate came through with the sprinkler credit on it, I almost fainted as the savings to them would have paid for the system in a little over two years if they carried the same amount of fire insurance. I knew they needed other insurance on their plant and decided to work out a 'complete protection' program and submit it with the automatic sprinkler system proposition.

"They actually grabbed the two propositions exactly as they were submitted. The thing that surprised them was that they could buy all of this insurance, pay cash for it and meet their annual sprinkler payment and still have money left from what they had been paying for fire insurance alone. Remember, they were getting an automatic sprinkler system, more fire insurance than they had been carrying before, and sprinkler leakage insurance, and in addition Tornado and U & O, both Fire and Tornado, something which they had never carried before.

# The Phillips

39 SOUTH LA SALLE STREET



# ased 1,882% on One Line

Six month's after the installation of the automatic sprinkler system the agent controlled all of the insurance carried by the furniture factory. Over \$2,500.00 of Casualty & Surety premiums has been given him in addition to the Fire lines shown on his assured's line card at the right. All of the Fire lines of insurance were paid for by the savings in rates and in addition enough cash was left to meet the yearly payment on the automatic sprinkler system.

Policy No.	Company	Amount	Rate	Premium	Excess	Co-insurance	Term	Exp. Date	Notes
C 1879	Fire	\$15,000	1 1/2%	\$225.00			3	2-22-31	
C 2097	Fire	\$50,000	2 1/2%	\$1,250.00			3	2-22-31	
2111	Fire	\$25,000	2 1/2%	\$625.00			3	2-22-31	
1291	Fire	\$50,000	2 1/2%	\$1,250.00			3	2-22-31	

"Their fire insurance is now written on a three year basis, the fire and Tornado having a 90% co-insurance clause. My commission is now over \$400.00, or over eight times what it was six months ago. On top of this they are giving me all of their casualty business and premiums so far have totaled over \$2,500.00—all of which I never had a chance to get before I suggested they install an automatic sprinkler system.

"The hard thing to believe is that they have been so pleased that they have gone out and helped me sell the idea to two other prospects here. Now I control all of the insurance carried on their factories and the premiums so far total over \$18,000.00 for three years. On an annual basis I am now getting over \$6,000.00 a year from the two clients the furniture men helped me sell as compared to about \$2,800.00.

"There certainly is something in 'sprinkler service' for I'm sure my agency will handle the insurance for these three factories as long as they are in business."

This is the actual experience of a local agent in a city of 1,587 population. He learned from experience just how profitably he could serve his clients through selling them to install automatic sprinkler systems. You can do the same. Send in the coupon NOW and let PHILLIPS AUTOMATIC SPRINKLER SERVICE help increase your business while giving our clients the greatest known protection against fire.

## The Phillips Warranty

THE PHILLIPS COMPANY of Chicago has been financing the installation of automatic sprinkler systems since 1903. THE PHILLIPS COMPANY is not an insurance broker and has no connection or affiliation with any insurance office. Local agents can therefore consult with us freely as our policy protects their insurance relations with their customers.

THE PHILLIPS COMPANY can give references from your company or companies and from THE NATIONAL UNDERWRITER, which would not accept our advertising until convinced that our plan of operations did not in any way conflict with the principles of agency practice now universally recognized.

THE PHILLIPS COMPANY, upon the high principles here set forth, will install automatic sprinklers in the plants of your customers upon a liberal plan of deferred payments out of the savings in premiums for the superior protection thus afforded.

THOS. H. GILL, President.

## The Phillips Company

39 S. La Salle Street  
Chicago, Illinois.

Please tell me how the Phillips Plan and Service will help me make my large lines "competition proof" and help me increase my business.

NAME .....

ADDRESS .....

CITY .....STATE.....  
N. U.

# Company

CHICAGO ILLINOIS

**THE OLDEST FIRE INSURANCE COMPANY**

**NEWARK**

**A Good Company for Agents**

**Record of 117 Years of Faithful Service to Recommend It**

**NEWARK**

**FIRE INSURANCE COMPANY**

NEWARK, N. J.

T. L. FARQUHAR, President

**WESTERN DEPARTMENT**

**CHICAGO**

ELWIN W. LAW, General Manager

**THE EAST AND WEST**

**INSURANCE COMPANY OF NEW HAVEN**

**CONNECTICUT**

Do you need in your Agency a Company capable of understanding your needs, one willing to help work out your fire insurance problems?

Do you want in your Agency a Company that pursues a stable and consistent underwriting policy year after year?

The East and West is such a Company. It is a valuable addition to any Agency.

**Owned by and under the Management of**  
**Security Insurance Company of New Haven**

**Western Department**  
**ROCKFORD, ILLINOIS**  
Walter D. Williams, Manager

**SOUNDS CLARION NOTE**  
**IN AGENTS' DEFENSE**

(CONTINUED FROM PAGE 3)

tractual relations between his principal and third person while the servant is not. The servant deals with things. If he deals with persons it is not to bring about contractual relations. If he contracts for his employer with third persons, he is in so far an agent, otherwise he is not.

**Responsibility of an Agent**

It, accordingly, follows that the agent must be a person of considerable executive and discretionary capacity. He must understand the business in which he is engaged. He must understand the rights of his principal or company. He must understand the relationship in which he stands with reference to the third person with whom he contracts, which, in our case, is the insured. He must be able to deal fairly and equitably and at the same time in such manner as to bring profit to himself and to his principal or company.

**Represents the Principal**

So far as the relationship between fire and casualty companies, and their agents is concerned, the agent becomes the representative of his principal in a very marked sense. In fact the business is so worked out that the agent becomes in the eyes of the public almost the principal himself. The insurance business is placed with him and his discretion is used as to the company in which the business is placed. He advises with the third person as to the contract, making out the forms and in general rendering marked service to the third person as well as to his company.

**Differ from Life Agents**

The life company agent does not bind his company in any particular except possibly on delivery of the policy. All of the information and evidence upon which the contract is based is delivered to the home office of the company. But the agent of the fire or casualty company must, as a matter of necessity, perform many very important acts for his principal which can not be reviewed by the principal until a considerable period after they are performed. Furthermore, the agent becomes to a large extent, the advisor and counsellor of the third person in their relationship, the insured. He is looked upon as one having expert information and ability in his particular business or profession. Even the courts clothe him with such knowledge, or at least attribute it to him.

**Becomes Counsellor Assured**

On account of the fact that he is not only the representative of his company and bound to further and protect its interests, to the limit of his capacity, but that he is also the advisor and counsellor of the insured, it becomes necessary that he be a person of fine qualification, of splendid ethical ideals, and of the highest integrity. Attorneys are bound against the representative of both parties. Agents must, by the very nature of their business represent to a large extent both company and insured and, accordingly, must carry out that peculiar relationship in such manner, not only to reflect credit upon themselves but as to serve and benefit the other parties involved.

**Should Give Agents Cooperation**

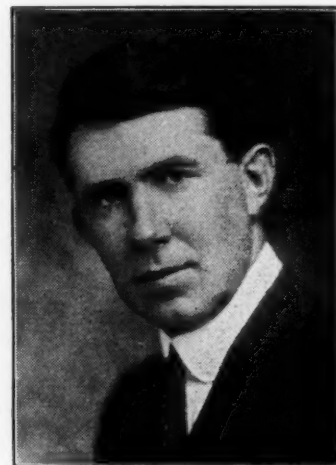
Just as the company and the insured have the right to expect the highest quality of service and integrity from the agent, so may the company be expected to give the agent who conforms to these ideals, and none other should be appointed, the highest quality of confidence and cooperation. The master stands above his servant and superintends every act. He directs even the physical movement of the servant.

The principal gives his agent the idea of what is expected of him and the agent works the matter out very much

in his own way, conforming, of course, to the usages and customs of the business in which he is engaged. That company which sets a high standard for his agent, which treats him as if he were a human being of high character and ability, and demonstrates the confidence which he has the right to expect, will not only have the respect and loyalty of its agents, but will succeed in a marked degree.

**Cause of Great Insurance Growth**

The agency system which in its best sense demonstrates the highest relationship of confidence and good will between company, agent and insured, has been responsible for remarkable growth of American insurance. Today, notwithstanding the pessimistic note which is occasionally sounded, insurance stocks are higher than ever before. This condition has come to pass by reason of the economical conduct of insurance business through the American agency system. It has been made possible by the intelligence, ability and loyalty of the men who represent the insurance companies in the field. It could not have been possible, were these men mere automatons coming and going at the beck and call of the director at the



**C. R. MORGAN**  
**Militant Defender of American Agency System**

home office. It has justified the freedom generally accorded to the agents.

**Rapid Changes Seen**

We are in the midst of a rapidly changing world. The most humble American counts as necessities many things which were luxuries or impossibilities to the kings and queens of a generation ago. The dissemination of knowledge has become practically instantaneous. Distances are being almost entirely wiped out. States and nations thus coming closer together are bound and cemented by a bond of better understanding. What is the miracle of today will be the commonplace of tomorrow. Standards of production have so increased that the manufacturing power of American industry is stupendous beyond belief.

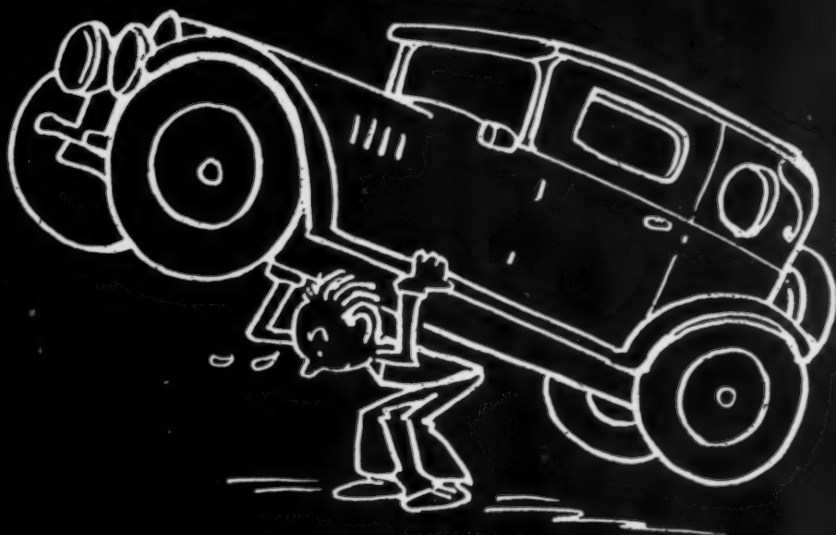
**Insurance Agent Not Found Wanting**

Continuous research in the chemical industry startles us with its amazing discovery. With this tremendous forward advancement, in all fields of endeavor, the American insurance agent, where backed by the intelligence and courageous cooperation of the company has not been found wanting. Again and again he has measured up to the task which would have completely bewildered the business of a generation ago.

**Should Be Closer Relationship**

The rapidly changing scene, however, demands from company and agent, or for company and agent, a closer and more intelligent relationship than has ever existed. The clumsy devices of company branch offices and other half-





AND IT'S JUST  
AS FOOLISH FOR  
A MAN TO TRY TO  
CARRY HIS OWN  
AUTOMOBILE INSURANCE

*"The Glens Falls Fleet"*



Sales Note to our Agents: Hang this advertisement in your office window or on your office wall

## A Company for Good Agents

Twenty-three years of continuous progress have molded a reputation for the Home Fire Insurance Company of Arkansas that commands the confidence of every local agent. From an idea in 1905 this institution has grown to one of \$1,750,711.46 assets and \$500,000 paid up capital.

Wherever the Home Fire is located you will find a satisfied agent.

We have excellent agency opportunities in Arkansas, Louisiana and Mississippi.

**Home Fire Insurance Co.**  
of Little Rock, Arkansas

# 1794

# 1928

**THE INSURANCE COMPANY  
OF THE  
STATE OF PENNSYLVANIA**  
PHILADELPHIA, PA.

*Fire—Lightning*

*Tourist Baggage*

*Inland Transportation*

*Use & Occupancy*

*Windstorm*

*Automobile*

*Parcel Post*

*Rent Insurance*

*Acquire*

**THE OLD "STATE OF PENN"**

baked arrangements for distributing insurance indicate that there is continuous attack made upon this relationship. With the company and agent working hand in hand together, willing to meet and discuss their problems on common ground, working out the manifold difficulties of their business as equals and not as superior and inferior, there is no question in my mind about the success of our business, whether it be assailed on the one hand by the poison gas of mutualism, or on the other by the sniping attack of the petty official in the company's office.

#### Not Ashamed of Relationship

Finally we are not ashamed of this relationship nor of this business. We are proud of the fact that we do stand in a position where we are generally blessed with the confidence of our companies and with the respect and good will of the insured. I say "generally blessed" because I am unable to feel that the men of ability sufficient to manage the great institutions which we represent are small enough to have animus in their hearts or doubt of our integrity and ability. Had this situation been otherwise, we could not have succeeded as we have done in the past.

#### Tendency to Break Down System

I admit that there is throughout this nation a tendency to break down the American agency system and that this tendency comes, to a very large extent, from the companies themselves, but I believe that with better organization on our part and an evident willingness to educate the unfortunate individual company executive who has not heretofore seen the light, we should bring about better conditions than we have heretofore had. We must not delude ourselves by the belief that we can go on as individuals and succeed as we have in the past.

#### Companies Banding Together

The companies themselves are banding together, as we have reason to know, and are requesting us to recognize organizations in a way which does not speak for better relations for us in the future. Every business and profession is banding together for the betterment of their particular line. The American agency system represents the highest standard of relationship with the company and with the insured. It is no mean business in which we are engaged. Let us, therefore, conduct ourselves with peace and good will towards all, but with a determination to protect the interests of our business. Those who care to break apart the splendid relationship which should exist between agents and companies will be denied the opportunity by reason of the clarity and strength of our position.

#### S. O. SMITH IS HEAD OF GEORGIA ASSOCIATION (CONTINUED FROM PAGE 4)

development campaign, and the better business methods system and the wide use of the automobile identification certificate, all of which are being pushed by the National association.

The work of the legislative committee during the last session of the Georgia legislature was unanimously endorsed and it was voted to instruct the new committee to seek an amendment to the present agents qualification law which would remove any doubt that might now exist in regard to the inclusion of surety underwriting.

A committee to work out a plan for a new contingent commission system by agencies, with a view to recommending it to the company organizations, also was included in the resolutions. Likewise, it was recommended that a committee make a review of the present laws as they affect non-admitted companies, in the hope that a closer regulation may be possible, and the situation in this regard clarified.

The efforts of the compensation organization to obtain revision of rates

for smaller risks so as to make the entire business more equitable were emphatically endorsed, and the association asserted its intention to assist in the movement to gain the approval of the supervising authorities for the new rating.

President Albert R. Menard of Macon presented a most comprehensive report, in which he made several recommendations for the future guidance of the association's workers. Most of these were embodied in the resolutions.

#### W. W. Ellis Speaks

Clyde Smith, of Lansing, Mich., member of the executive committee of the National association, was the representative of that body attending the Georgia convention. W. W. Ellis of the National Board's public relations department went into some very interesting details of the advertising problems of the companies and the agents. After concluding his address he spoke of the lack of a publicity committee in the Georgia association, and urged that such a committee be established.

#### Local Boards Thriving

E. P. Roberts, manager of the Southern Adjustment Bureau, and William F. Dunbar, manager of the S. E. U. A., Atlanta, were two other outstanding speakers on the program. Mr. Dunbar's compared mutual and reciprocal systems with stock fire insurance and the competition afforded especially by the mutuals.

At the closing session the outstanding topic brought up under the usual heading of general discussions, was the activities of the various local boards of the state. All the local boards seem to be going along in a constructive way. James C. Dunlap, president of the Atlanta organization, made a brief report on the activities in that city, showing that various methods are being used and others contemplated with a view to ever increasing the efficiency and helpfulness of the organization.

#### CLYDE B. SMITH EXPLAINS ASSOCIATION'S PROBLEMS (CONTINUED FROM PAGE 4)

Smith said that the agents would be amply paid for their time and trouble if they would only get in closer touch with their competitors. He urged collective advertising by the local boards and organized drives on certain forms of insurance.

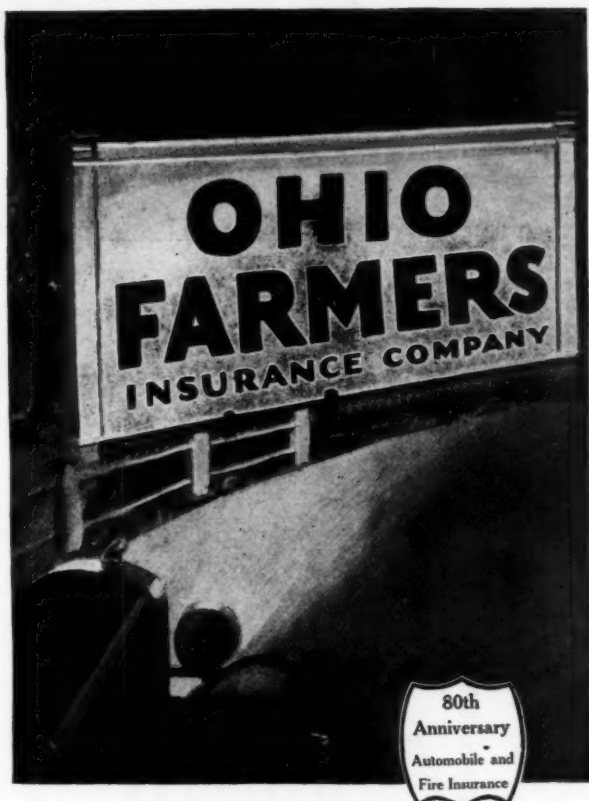
Mr. Smith explained the difficulties with which the National association has to deal. He told how the companies have so little uniformity in their dealings with the agents. Some companies may belong to affiliated organizations in the east and be nonaffiliated in the west. He said that two companies might be in the same agency in Chicago, while in Kankakee, less than 100 miles away, the same companies would consider it a little short of treason if their agent suggested that he might represent both companies in his office.

"In Cleveland," said Mr. Smith, "the companies pay an agent 25 percent for sprinklered business while across the lake, in Detroit, it is worth only 15 percent. In Texas and Oklahoma the oil business has shown a high loss ratio, therefore in order to overcome this commissions were reduced instead of being increased."

#### McGee & Co. Office to Expand

The William H. McGee & Co. marine office in New York City has purchased the building at 1 Mill Lane and on the site will erect a modern seven-story structure of the same architectural design as that employed in the extension of their building at 11 South William street. Mill Lane is the shortest street in New York City. The McGee & Co. property extends the entire length of the south side of the street. The new building will afford the company office space which is badly needed. William McGee is the principal organizer of the Transportation Insurance, Transportation Indemnity and Transportation Reinsurance companies.





**Announcing  
THE  
Insurance Service Bureau  
CLAIM EXAMINERS AND ADJUSTERS**

W. E. JACKSON, General Manager  
820 RENKERT BUILDING  
CANTON, OHIO  
DIAL 5167

REPRESENTING LEADING COMPANIES

Associated with  
**BURT KINNISON,  
CARSON & SHADRACH**  
Attorneys

REFERENCES:  
Tho. A. Hines Directory, New York  
The Insurance Bar, Chicago

## National Inspection Company

*Incorporated 1903*

This corporation reports on the underwriting aspects of heavy manufacturing and mercantile properties throughout the following states:

**Michigan  
Wisconsin  
Minnesota  
Ohio**

**Indiana  
Illinois  
Iowa  
Nebraska  
Missouri**

**Kansas  
Kentucky  
Tennessee  
Oklahoma**

*Managed by*

**J. G. Hubbell**

**H. B. Chrissinger**

**R. L. Thiele**

176 West Adams St., Chicago, Ill.

**MISSOURI**

**KANSAS**

## J. H. Good General Agency

**REPRESENTING**

**Iroquois Fire Ins. Co.  
Detroit F. & M. Ins. Co.  
Minneapolis F. & M. Ins. Co.  
The State Assurance Co., Ltd.**

**KANSAS CITY, MO.**

*Agents Wanted in Unoccupied Territory*

# TORNADO Reinsurance

**PRO-RATA**



**EXCESS**

## INTER-OCEAN REINSURANCE COMPANY

**CEDAR RAPIDS, IOWA**

**Assets \$2,813,006.69**

**Reserves \$1,797,974.00**

**Surplus to Treaty Holders \$7,015,032.69**

**The Rough Notes Co.**  
OFFICE SYSTEM FOR THE INSURANCE MAN **INSURANCE SUPPLIES**



## S-E-R-V-I-C-E Pays a Handsome Profit

**SERVICE** to your policyholders, whether large or small, builds your business on a solid, substantial basis that yields a greater profit year after year. Render a personal and appreciated service by giving each policyholder a policy file, something that he may keep his policies and valuable documents in. Your card printed on each file guarantees your receiving full advertising value for each file given out.

**No. 99, Red Tag Policy File.** This envelope is made up of exceedingly tough texture and possesses enduring wearing qualities; at the same time it is light in weight. The low price makes it an excellent advertising medium. Size, 10 1/4 in. long by 4 1/2 in. wide. Capacity, six to ten policies. Prices: 1,000 \$27.00; 500, \$14.25; 100, \$3.00; 50, \$1.65; 25, \$0.85; 12, \$0.45.

**Additional Charge for Imprinting.** Prices quoted above do not include imprinting advertising card. Cards of not more than four lines will be imprinted at the following rates: 100 or less, \$1.50; 200, \$1.75; 300, \$2.00; 500, \$2.50; 1,000, \$3.50. Imprinting of cards of more than four lines or requiring special composition, will be billed at cost. Quotations on request.

**No. 97, Expansive Policy Files.** This style has sufficient expansive capacity to admit twenty-five or thirty policies and documents. The envelope is made of tough stock, having two bands of rubber at either end for holding policies securely. A record of companies, expirations, etc., is printed on the inside of flap. Prominent space is reserved for advertising card. Size, 4 3/4 in. wide by 10 1/4 in. long. Prices: 500, \$57.00; 100, \$12.00; 50, \$6.60; 25, \$3.30; 12, \$1.60.

*For Sale by*

**The National Underwriter Co.**

175 W. Jackson Blvd.

Chicago, Illinois

420 East Fourth Street, Cincinnati

80 Maiden Lane, Room 613, New York

313 Iowa National Bank Bldg., Des Moines

INSURANCE OFFICE SYSTEMS SUPPLIES AND PUBLICATIONS

**L. B. LEIGH & CO.**

General Agents for  
Arkansas  
Little Rock,  
Arkansas

**COATES & RAINES**

General Agents for  
Arkansas  
Little Rock,  
Arkansas

**C. F. CUNNINGHAM**

General Agents for  
Arkansas  
Little Rock,  
Arkansas

**SHEPHERD & CO.**

General Agents for  
Arkansas  
Little Rock,  
Arkansas

**BRAE  
FORST**

General  
Colorado  
and New  
Denver

**CHRIS  
SCHROE-  
DER &  
SON CO.**

General Agents  
for  
Wis. and No.  
Peninsula of  
Michigan  
Milwaukee,  
Wisconsin

**J. M.  
HOBBINS**

General Agents for  
Wisconsin and  
Minnesota  
Madison,  
Wisconsin

# An Important Announcement

**TREZEVANT &  
COCHRAN**

General Agents for  
Tex., Ark., La.,  
Okla. and New  
Mexico  
Dallas  
Texas

**REINHARDT  
WEST & CO.**

General Agents for  
Texas  
Dallas  
Texas

**T. MANNING  
& SONS**

General Agents for  
Texas and  
Arkansas  
Dallas  
Texas

**GEORGE M.  
EASLEY  
& CO.**

General Agents for  
Texas  
Dallas  
Texas



by  
**General  
Agents**

**DEXTER  
BROS. &  
WHEELER**

General Agents for  
Texas  
Dallas,  
Texas

**ALAMO UNDERWRITERS  
GENERAL AGENCY**

General Agents for  
Texas  
San Antonio, Texas

**THE T. E.  
BRANIFF CO.**

General Agents for  
Oklahoma, Texas and  
Kansas  
Oklahoma City,  
Oklahoma

**L. N. EWING  
& CO.**

General Agents for  
Oklahoma  
Tulsa, Oklahoma

**AMER  
AGENCY**

General Agents for  
Oklahoma  
Tulsa, Okla.

**CRAVENS, DARGAN & CO.**

General Agents for  
Texas  
Houston, Texas

**JOHN S.  
ALDEHOFF & CO.**

General Agents for  
Texas  
Dallas, Texas

**W. L. NELSON & CO.**

General Agents for  
Tenn., Ark., Mo., and  
Mississippi  
Memphis, Tenn.

**B. DUKE  
CROUCH & CO.**

General Agents for  
Tennessee  
Nashville, Tenn.

# NOT A WEAK LINK



**COBB, MILLER &  
STEBBINS***General Agents for  
Colo., Wyo., N. M.,  
Kans., and Utah***Denver, Colorado****DALY GENERAL  
AGENCY, INC.***General Agents for  
Colorado, Wyoming  
and New Mexico***Denver, Colorado****WAKEFIELD,  
MORLEY & CO.***General Agents for  
Connecticut***Hartford,  
Connecticut****STANDART & MAIN***General Agents for  
Colorado, Wyoming and  
New Mexico***Denver, Colorado**

# Announcement!

Realizing that a better understanding of the General Agency System among companies and agents would be conducive to a greater utilization of their services, the General Agents reported on this page have chosen this means of bringing to your attention the Advantages of General Agency Representation under the American Agency System.

The coming messages will bring many of the advantages to your attention—They will be wording—Watch for them—Profit by them.

**A. H. TURNER***General Agents for  
Va., N. C., S. C., Ga.,  
Fla., and Ala.***Atlanta, Georgia****ELLIS &  
KRAETSCH  
CO.***General Agents for  
Iowa*  
**Des Moines,  
Iowa****KANSAS  
UNDERWRITERS***General Agents for  
Missouri,  
Kansas and  
Oklahoma*  
**Wichita,  
Kansas****MILLER-  
STUDEBAKER  
AGENCY***General Agents for  
Kansas***Topeka,  
Kansas****SNYDER BROS.  
GENERAL  
AGENCY***General Agents for  
Kentucky and  
Tennessee*  
**Louisville,  
Kentucky****BLACK,  
ROGERS  
& CO.***General Agents for  
Louisiana***New  
Orleans,  
Louisiana****HARRY S.  
KAUFMAN,  
LTD.***General  
Agents for  
Louisiana***New  
Orleans,  
Louisiana****L. MONROSE  
& SONS***General Agents for  
Louisiana and  
Mississippi***New  
Orleans,  
Louisiana****REYNOLDS BROTHERS***General Agents for  
Nebraska, Colorado  
and Wyoming***Fremont, Nebraska****J. H. GOOD***General Agents for  
Missouri and Kansas***Kansas City,  
Missouri****JAS. B. ROSS***General Agents for  
Louisiana and Mississippi***New Orleans,  
Louisiana****MORRISON  
& CO., INC.***General Agents for  
Nebr., Ia., Kans.,  
Colo., S. D. and Wyo.***Omaha, Nebraska****A. J. LOVE & CO.***General Agents for  
Nebraska and Iowa***Omaha, Nebraska****F. G. TUPPER***General Agents for  
Louisiana and  
Mississippi***New Orleans,  
Louisiana****CHAS. R. RILEY  
& CO., INC.***General Agents for  
Louisiana and Mississippi***New Orleans,  
Louisiana**

# LINK IN THE CHAIN

## THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

Published every Thursday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. **EDWARD J. WOHLGEMUTH**, President; **JOHN F. WOHLGEMUTH**, Secretary; **HOWARD J. BURRIDGE**, Vice-President and General Manager; **H. E. WRIGHT** and **NORA VINCENT PAUL**, Vice-Presidents; **WILLIAM A. SCANLON**, Southwestern Mgr.; **GEORGE C. ROEDING** and **O. E. SCHWARTZ**, Asso. Mgrs.

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**HOWARD J. BURRIDGE**, Associate Editor  
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### A New Idea for Field Meetings

FIELD men in recent years have not had any satisfactory means of exchanging ideas, unreservedly and informally, with the executives in the business. They have, of course, been able to talk freely with their own managers but there has been no general interchange of thought. In the insurance papers and elsewhere the company officials have from time to time criticized the field men who have in turn exchanged the courtesy. There has as a consequence grown up a certain antagonism between company executives and field workers which is regrettable and unhealthy for the business.

It therefore seems to us that **FRED B. LUCE**, western manager of the PROVIDENCE-WASHINGTON, had an especially happy thought when he proposed and presided over an informal "around the circle" question and answer session at the annual meeting of the Wisconsin Fire Underwriters Association held at Delavan Lake, Wis., last week. Mr. LUCE and J. R. WILBUR of the America Fore companies had been selected to represent the Union companies at this meeting.

Mr. LUCE when called upon said that there were several things he might talk about but they might not be the things the field men wanted to hear. "I don't know what is in your minds and you don't know what is in mine, but if we will just

draw up our chairs and sit around here in a circle we can soon find out, and then we can talk about something that is interesting to both of us," Mr. LUCE said.

The result was a delight to behold. Everybody spoke his mind. Questions were hurled at Mr. LUCE and Mr. WILBUR. They were asked: "How about this? What about that? Why do the companies do this? What is the attitude of the companies on this?" Most of these questions were answered. The field men left the meeting satisfied. They felt that they had been candidly and honestly dealt with. An atmosphere of good will and cordiality was created. The whole affair was a decided success.

How different all this from many of the "addresses" that have been given by company officials at field meetings in the past. In justice to the executives it should be said that they were not sure what the field men wanted to hear about. They had to take a chance on striking a responsive chord. Many times they failed, leaving the field men bored or with the feeling that the "real stuff" was being held out on them.

Mr. LUCE's plan is better. It is simple and agreeable. It is straightforward and is bound to create a mutual confidence. It is a new thing that is worth a trial in other states.

### Moisant as an Editor

**SHIRLEY E. MOISANT**, secretary of the ILLINOIS ASSOCIATION OF INSURANCE AGENTS, crack golfer at Kankakee, Ill., editor, publisher, politician and moral uplifter, is getting out a crackerjack house organ for the Illinois association. It is the brightest, snappiest, most per-

sonal and most readable publication of its kind. Mr. MOISANT has a good idea. He jams the "Illinois Association News" full of names. He gets in a lot of stuff about people over the state. Mr. MOISANT has a news sense and keen instinct.

### Effect of Higher Verdicts

THE effect of larger verdicts in case of injury and the general tendency toward payment of heavier damages is seen in the survey the railroads have made. They have ascertained that claim settlements are considerably higher than they have been in the past. The roads are having the question fully investigated to ascertain where this tendency may lead

them. Whenever a man is injured these days, he usually looks about to fix the responsibility for damages on someone. Fortunately, insurance contracts are available to cover the hazards against which responsible people can be protected. It is one of the great services which insurance is now giving the public.

## PERSONAL SIDE OF THE BUSINESS

**James A. Beha**, superintendent of the New York insurance department, is in Houston as an alternate delegate to the Democratic national convention. He is an enthusiastic booster for Governor Al Smith and is certain the latter will receive the nomination for president upon the first ballot. A lawyer of New York City before his acceptance of his present office, Mr. Beha within the past three years has had numerous opportunities to become importantly identified with insurance interests, none of which he has favored, however. His predilection leans toward a judgeship, a post his intimates declare he is peculiarly fitted to occupy and which they assert he will sooner or later be given.

**John R. Dumont**, insurance commissioner of Nebraska, has so far recovered from his recent operation for appendicitis that he has been able to leave the hospital and continue his recuperation at his home.

**J. Henry Harbeck**, Wisconsin state agent for the Dubuque Fire & Marine, and Mrs. Harbeck visited Boston recently where they attended the graduation of their son, Robert M. Harbeck, from Massachusetts Institute of Technology. While in the east they visited New York, Philadelphia, Washington and other cities.

**Thomas H. Byrd**, Kansas-Oklahoma state agent for the Automobile of Hartford, who is confined to a hospital at Vinita, Okla., following an operation the first of the month for appendicitis and ulcers, is reported as improving quite satisfactorily, but due to the seriousness of his operation will be unable to resume his duties for several weeks yet.

**John Dulaney**, Kansas-Oklahoma state agent for the Sun and Patriotic, with headquarters in Oklahoma City, is still confined to his home as a result of an automobile accident May 25, in which the car in which he was riding turned over several times after skidding. It will be several weeks before he will be able to resume his duties, which in the meantime are being handled by his assistant, K. R. Rone.

**George W. Stephenson**, son of **Harry W. Stephenson**, local manager at Philadelphia for the Liverpool & London & Globe, was graduated this week from the medical college of the University of Pennsylvania. He enters the George Geessinger Memorial Hospital at Danville, Pa., as interne, July 1. Announcement is also made of his recent marriage to Miss Dorothy Haines of Swarthmore, Pa.

**Fred W. Wright** of Morrisville, Pa., vice-president and treasurer of the Standard Fire of Trenton, died in a Morrisville hospital following an internal hemorrhage. He was 51. He is survived by his wife, a daughter and two sons. Mr. Wright was a prominent citizen of Morrisville, being a member of the board of education and the Chamber of Commerce and secretary of the Mechanics Building & Loan Association.

**A. J. Ullman**, who until illness forced his retirement from active business about two years ago, was Cook county manager of the Connecticut Fire, died at his home at Elmhurst, Ill., late last week. Mr. Ullman spent practically all of his business life in the insurance field. He was an examiner for the Continental in Chicago, and 30 years ago joined the Connecticut, of which Abram Williams was the western manager. When in 1914 the western department was moved to Hartford, Mr. Ullman was made Cook county manager. He was 64 when he died. He was a man of sterling character, upright

and conscientious and highly regarded by all who knew him in a business or social way. Representatives of the Connecticut and Phoenix Chicago offices attended the funeral. Services were held at the Ullmans' Elmhurst home. Mr. Ullman is survived by his wife, two daughters and two sons.

**Mrs. Abbie Gantz Coffey** of Chicago, wife of the well known local agent in that city, Joseph J. Coffey, died this week at Grant Hospital, Chicago. The funeral was held Wednesday morning from St. Jerome's Catholic Church. Abbie Gantz was well known in days gone by to the managers and field of the central west. She was appointed librarian of the Fire Underwriters Association of the Northwest library in Chicago when it was decided to expand the library service. She took much interest in developing the library and popularizing it. She resigned as librarian to go on the reportorial staff of the "Insurance Field," working in Chicago and attending conventions in the central west. She later married Mr. Coffey.

Mrs. Coffey was in excellent health in recent times. She went to Grant Hospital for a minor operation about three weeks ago. About two weeks ago she was taken to the hospital for inflammation of the gall bladder. Pneumonia and nephritis developed, which proved to be critical. Mrs. Coffey was interested in a number of projects. She was a very useful and popular woman.

Friends of **Charles P. Walford, Jr.**, prominent local agent of Richmond, and a former president of the Virginia Association of Insurance Agents, who has been on the invalid list for the past year or two, due to a physical breakdown, will be pleased to learn that his condition is now showing marked improvement and that he hopes soon to be on the road to complete recovery.

Insurance men of Cincinnati are getting behind the candidacy for state senator of **B. Gates Dawes, Jr.**, vice-president and treasurer of the Eureka Security Fire & Marine. Mr. Dawes is a candidate on the Citizens Republican ticket and stands a very good chance of election. It will be to the advantage of insurance men to have a man who understands insurance problems in the legislature and it goes without saying that Mr. Dawes will receive the undivided support of the underwriters.

**J. R. Wilbur**, vice-president of the America Fore companies at Chicago, revealed himself as a master of the bow and arrow during his attendance at the meeting of the Wisconsin field organizations at Delavan Lake, Wis., last week. There was the usual archery contest with the target within easy shooting distance following which Mr. Wilbur gave an exhibition of marksmanship hitting the bull's eye several times at a distance of 100 yards. Both Mr. and Mrs. Wilbur are devotees of archery and can shoot with great skill.

**E. T. Tanner**, executive assistant of the western department of the Security of New Haven, commenced last week to walk about without the aid of a cane. Nine weeks ago Mr. Tanner slipped and fell on the floor in his living room, and the result was a broken leg. He was away from his office for two weeks, following which he hobbled about with a crutch and later a cane. He has now almost completely recovered, although he has had a long siege of it.

**Frank M. Avery** of San Francisco, Pacific Coast manager for the Fire Association group, stopped in New York City early last week en route to Quebec, whence he sailed for Europe June 23. He plans to be abroad about two months. Mrs. Avery accompanies him.



## Across your town?

The trail of a windstorm — destruction and debris! Then a desire to obtain windstorm insurance, after the panoramic picture of damage has been taken, — after it is too late.

When a cyclonic summer wind cuts a similar path across your community, will your clients be lacking necessary windstorm insurance protection?



**AMERICAN EAGLE**  
FIRE INSURANCE COMPANY  
EIGHTY MAIDEN LANE, NEW YORK, N.Y.

ERNEST STURM, Chairman of the Board.  
PAUL L. HAID, President.

**CASH CAPITAL—ONE MILLION DOLLARS**

**NEW YORK - CHICAGO - DALLAS - SAN FRANCISCO**

STARKEY & BROWN PHOTO

PHOTOGRAPHIC VIEW OF A TORNADO.  
JANUARY 1928.  
JANUARY 1928.

# FIRE INSURANCE NEWS BY STATES

## OHIO AND WEST VIRGINIA

### ORDER AS TO BINDERS OUT

#### Insurance Superintendent Safford of Ohio Demands Checkup on Policies of This Nature

COLUMBUS, O., June 27.—William C. Safford, superintendent of insurance in Ohio, recently wrote all companies licensed in the state warning them not to accept Ohio business from foreign brokers who are not licensed. The letter also emphasized that soliciting by foreign brokers or their representatives in Ohio is prohibited. In the letter which is in effect an order, the companies are told to notify the state insurance department of any risk carried under a binder for longer than 30 days.

The concluding paragraph of the order reads: "Under date of July 1, 1928, and on the first day of each succeeding month thereafter, list all policies covering risks located in Ohio written under a blanket policy, master policy, inland marine policy, general coverage contract, or excess cover contract, specifying in said list location of risk, amount of risk, amount and rate of premium, date when liability attached, and name of Ohio agent who countermanded the policy." This order does not apply to individual risks written or included under a master policy for local automobile finance companies but does include the master policy for such companies.

#### Discovered Abuses

It is understood among insurance men that the superintendent of insurance has discovered certain abuses in the state which it is hoped will be curbed or stopped by the order. It is said that outside brokers have covered some large lines in Ohio under binders which were allowed to run as long as eight months with no collection of premiums and seemingly without intention to collect any premium. The presumption is that brokers were handling a line involving properties in several other states as well.

Chain stores have been growing greatly in numbers and financial importance. It is thought that the insurance department desires to check the business on these stores to determine whether or not Ohio laws are being complied with. Company executives generally believe that the order is very comprehensive and will require a burdensome amount of work at the home offices in preparing the monthly report. There has been some discussion of sending a committee to confer with Superintendent Safford on the whole matter.

#### Excuses Offered for Action

While the order seems to be directed principally against activities of foreign brokers, it is known that Ohio agents have not always observed the provisions of the Ohio anti-discrimination law and have carried risks on binders for many weeks without charge, dating the policies on date of issue, and making no charge for the binder coverage. Two excuses for such binder coverage beyond a week or two are said by one agent to be acceptable. One is that no rate is available on the property and the agent is awaiting action of the Ohio Inspection Bureau. The other is that an appraisal is in progress and the property owner and agent are waiting to determine the correct amounts to place. In some cases, binders are allowed to run on account of the carelessness and negligence of the agent.

### OFFICE GIRLS IN MEETING

#### Employees From Ohio Farmers Local Agencies Held a Conference at the Home Office

Seventy-five girls from Ohio Farmers agencies in Ohio attended the biennial meeting in LeRoy, O., participating in a business session and entertainment features provided by the home office. This is the fifth meeting of Ohio Farmers girls.

F. H. Hawley, president of the Ohio Farmers, expressed his pleasure at having so many present, for, said he, "the agency girls are a vital link in the chain between insurance company and policyholder and it is of the utmost importance that they be familiar with home office procedure."

Secretary D. W. Crane presided at the business meeting. He described some of the newer phases of Ohio Farmers service to local agents and explained the present tendencies in the insurance business. Mr. Crane also opened the question box which had been provided and led the discussion which followed.

The girls visited all departments of the home office and asked questions or made suggestions on all subjects. Tuesday evening was given up to entertainment, with a musical program followed by a dance to music furnished by the Ohio Farmers orchestra.

#### Join Cooperating List

Secretary Thornburg of the West Virginia Association of Insurance Agents announces that the Peoples National, Occidental Fire & Marine of San Francisco, Public Fire of Newark and the Great Lake of Chicago have joined the cooperating list of companies, pledging themselves to sole agencies in the state.

#### Inspection of Bluefield, W. Va.

CHARLESTON, W. VA., June 27.—Inspectors who visited Bluefield last week found that out of 286 business buildings visited, 236 showed defects. In all 1,091 recommendations were made.

The inspection was made by 15 squads, composed of two inspectors, two boy scouts, a fireman and sometimes a citizen or two. Verbal suggestions for correcting hazards found were made on the spot, but many business men asked for written reports so that they would be sure not to overlook anything. One man said that Bluefield would clear up everything within 48 hours.

Fire Marshal Nolte with two deputies was present and remained to tear down all dangerous buildings and see that others were removed or repaired as reports might indicate.

E. P. Douglass, chairman of the committee of the West Virginia Fire Underwriters Association, again demonstrated his ability to direct a successful municipal survey. He had 25 field men with him, including several from Virginia.

#### Works With the Agents

C. W. Hutchinson of Huntington, W. Va., who conducts an automatic sprinkler service, works almost entirely through local agents. Mr. Hutchinson is unique in his service in that he will not take any contract where the mutuals are interested unless the mutuals have already secured it. Mr. Hutchinson works with the local agents and boosts their cause in every possible way.

#### Blame Ambulance Chasers

YOUNGSTOWN, O., June 27.—"Ambulance chasers" are generally blamed here for the high automobile insurance rates. Because of their aggressiveness the insurance companies are more frequently

forced to defend themselves in court so they must have higher rates to protect their interests.

The new constitution of the Mahoning County Bar Association, which is expected to raise the ethical standards of lawyers here, probably will be completed this week.

#### Storm Losses at Buckeye Lake

A windstorm which hit Buckeye Lake, 30 miles east of Columbus, O., last week, caused a loss estimated at \$125,000. The storm lasted three minutes and a score of persons were hurt. The building of the Buckeye Lake Yacht Club and many dwellings were damaged. Many farm buildings lying between Columbus and Buckeye Lake were damaged in the same storm and it is estimated that the total loss may reach several hundred thousand dollars. This is the fifth tornado that has hit Buckeye Lake in 16 years.

#### Cleveland Board Picnic

CLEVELAND, June 27.—The annual picnic of the Insurance Board of Cleveland, held at Geauga Lake on June 21, was voted a popular success by the large membership attending. Novelty competitions in the afternoon were given a touch of humor this year by the unusual games selected. Valuable prizes were awarded to winners while a professional director had charge. At 6 o'clock a big chicken dinner was enjoyed while dancing made up the evening's entertainment. Members and their families found the occasion a delightful one.

#### Insurance Service Bureau

The Insurance Service Bureau in the Renkert building at Canton, O., has been established with W. E. Jackson as general manager. It is associated with Burt, Kinnison, Carson & Shadrach, attorneys. The bureau will furnish service to companies anywhere in Ohio, but will give particular attention to the northeast section of the state. Mr. Jackson has had 10 years experience in agency and claim work. C. R. French, who is the investigator for the Insurance Service Bureau, comes from Massillon, O., where he has been very active

in claim work. The Insurance Service Bureau has made a number of company connections and is representing leading adjusters.

#### Prominent Cleveland Men Dead

CLEVELAND, June 27.—Cleveland insurance circles recently suffered the loss of two prominent men in Noyes P. Gallup, senior member of Noyes P. Gallup & Sons, and O. K. Shimansky of the Shimansky Insurance Agency. Both men were members of the Insurance Board of Cleveland. Noyes P. Gallup had been in the insurance business for years, while O. K. Shimansky was also prominent in journalistic and political fields.

#### Ohio Notes

The Tolle & Williams Agency, New Vienna, is now entirely owned by H. K. Williams.

Fire in the plant of the Brazel Novelty Manufacturing Company at Cincinnati caused a loss of \$32,000. Much fireworks was consumed. Fred Brazel, owner of the plant, was burned.

The managers and employees of the A. W. Shell Agency in Cincinnati with their families picnicked at Ryland, Ky. Fifty-one persons were present for the entertainment, games and dinner.

At New Lexington, O., Mrs. Bertha Ross and Harry Arbaugh were convicted of arson. The woman was sent to the women's reformatory and Arbaugh was sentenced to five years in the state penitentiary.

#### West Virginia Notes

The National Guaranty Fire of Newark has applied for admission to West Virginia.

A midnight fire at Spencer, W. Va., caused the total loss of the building used as a branch of the Imperial Ice Cream Company and a garage run by Russell Rader and C. A. Hunt. Six automobiles in the garage added to the total loss. There was considerable insurance carried.

Fire on June 22 destroyed a two-story frame and sheet iron building on the "Island" in Wheeling, W. Va., owned by Charles Bachman and leased to the Auto-Eze Products Company, makers of grease, polish and other auto supplies with a gasoline base. The property loss was \$35,000 with some insurance.

## CENTRAL WESTERN STATES

### HAS INSURANCE COMMITTEE

#### Illinois Chamber of Commerce Feels That the Business Is Being Retarded by Restriction

John H. Camlin of Rockford, Ill., president of the Illinois Chamber of Commerce, has appointed a committee on insurance for that organization. Mr. Camlin calls attention to the fact that the insurance business is being retarded by harmful restrictions in the way of excessive taxation and other exactions. He feels that this committee should investigate conditions in the insurance business and make such recommendations as seem best. The members of the committee appointed are S. E. Moisant of Kankakee, secretary Illinois Association of Insurance Agents; Fred M. Gund of Freeport, western manager for the Crum & Forster companies; Fred H. Rowe of Jacksonville, president of the American Bankers; John H. Camlin, local agent at Rockford; R. M. Field, Peoria; George D. Webb, Conkling, Price & Webb of Chicago; George B. Sedgwick of Chicago, assistant manager Great American; August Torpe, Jr., of Chicago, president Chicago Board; John C. Harding of Harding & Lininger, western managers Springfield Fire & Marine; John F. Stafford, western manager of the Sun, and H. M. Zimmer, Illinois state agent of the Home of New York group.

### REGIONAL RALLIES ARE HELD

#### Four Meetings Conducted by Michigan Agents Association Bring Out Good Attendance, Much Interest

LANSING, MICH., June 27.—Last week's series of regional meetings brought out an attendance of some 150 members of the Michigan Association of Insurance Agents, fairly evenly divided among four cities.

Commissioner Livingston, who had planned to attend all four meetings, found it possible to include only the session at Ypsilanti, but his department was well represented.

#### Goodman Is Speaker

William E. Goodman, head of the rating division, spoke at the Saginaw meeting on the American agency system and its advantages as regards sound insurance easily amenable to proper supervision. President Fred L. Winter of Muskegon was present and Vice-President Leo Weadock presided. President Winter extolled the advantages of the local, state and national associations.

At Ypsilanti Commissioner Livingston explained the work he has been doing in cleaning up agency conditions throughout the state. The commissioner also outlined some of his plans for legislation next year and told of other policies of the department which are making for improved insurance conditions. Laurence M. Thomas, Ypsilanti agent and mem-

(CONTINUED ON PAGE 38)



## LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice President

JOHN KAY, Vice President and Treasurer

WELLS T. BASSETT, Vice President

### JANUARY 1ST, 1928, STATEMENTS

#### ORGANIZED 1855 FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

ASSETS	LIABILITIES	CAPITAL	NET SURPLUS	SURPLUS POLICYHOLDERS
\$40,000,136.83	\$19,459,279.01	\$7,500,000.00	\$13,040,857.82	\$20,540,857.82

#### ORGANIZED 1853 THE GIRARD F. & M. INSURANCE COMPANY OF PHILADELPHIA, PA.

\$6,000,966.28	\$2,930,594.84	\$1,000,000.00	\$2,070,371.44	\$3,070,371.44
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#### ORGANIZED 1854 MECHANICS INSURANCE CO. OF PHILADELPHIA, PA.

\$4,828,245.29	\$2,820,808.68	\$600,000.00	\$1,407,436.61	\$2,007,436.61
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#### ORGANIZED 1866 NATIONAL-BEN FRANKLIN FIRE INS. CO. OF PITTSBURGH, PA.

\$4,907,721.63	\$2,557,216.60	\$1,000,000.00	\$1,350,505.03	\$2,350,505.03
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#### ORGANIZED 1871 SUPERIOR FIRE INSURANCE CO. OF PITTSBURGH, PA.

\$4,835,369.35	\$2,520,317.56	\$1,000,000.00	\$1,315,051.79	\$2,315,051.79
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#### ORGANIZED 1870 CONCORDIA FIRE INSURANCE CO. OF MILWAUKEE, WIS.

\$5,250,424.26	\$2,567,447.92	\$1,000,000.00	\$1,682,976.34	\$2,682,976.34
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#### ORGANIZED 1886 CAPITAL FIRE INSURANCE CO. OF CONCORD, N. H.

\$760,298.04	\$375.00	\$300,000.00	\$459,923.04	\$759,923.04
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TOTAL OF ASSETS  
**\$66,583,161.68**

TOTAL OF LIABILITIES  
**\$32,856,039.61**

TOTAL NET PREMIUMS  
**\$25,684,495.78**

**WESTERN DEPARTMENT**  
844 Rush Street  
Chicago, Illinois

**H. A. CLARK, Manager**  
Assistant Managers  
**H. R. M. SMITH**  
**JAMES SMITH JOHN R. COONEY**

**EASTERN DEPARTMENT**  
10 Park Place  
NEWARK, NEW JERSEY

**CANADIAN DEPARTMENT**  
461-467 Bay Street  
TORONTO, CANADA  
**MASSIE & RENWICK, Limited,**  
Managers

**PACIFIC DEPARTMENT**  
60 Sansome Street  
San Francisco, California  
**W. W. & E. G. POTTER,**  
Managers

## LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

## (CONTINUED FROM PAGE 36)

ber of the state association governing committee, was chairman.

Kalamazoo probably won the banner for attendance with about 50 agents present. Ralph Wade, second deputy commissioner, and Mr. Goodman were both present. The department representatives analyzed in instructive fashion the company reports which are filed annually with the department and took up the principal insurance laws affecting the agents. William H. Pendleton of Kalamazoo presided. At Grand Rapids a rousing meeting was held, in charge of G. Earl McVoy. Mr. Goodman and President Winter were the main speakers.

About mid-summer another regional meeting is planned for Petoskey, in charge of C. Louis Hinkley, and the annual Upper Peninsula Insurance Day will serve as a regional gathering for that section. Dates for these sessions have not yet been set.

## AFFRECIATION FOR MOISANT

## Illinois Association of Insurance Agents Will Conduct a Membership Drive and Campaign in July

Harry J. Leach of Morris, Ill., chairman of the organization committee of the Illinois Association of Insurance Agents, announces that while the state



SHIRLEY E. MOISANT  
Secretary Illinois Association of Insurance Agents

organization has passed its 1928 membership quota, yet it desires to make a new record. Hence Mr. Leach has set aside July as "Moisant Appreciation Month" and a special drive for new members will be made in honor of Shirley E. Moisant of Kankakee, Ill., who has served the association so long and faithfully as secretary and treasurer. The Illinois association will thus in a material way show its loyalty to the organization and its appreciation of Mr. Moisant. Field men and others interested, though they are not members, are being asked to participate in this interesting July drive. Mr. Leach is one of the live wires in the organization and in arranging for the July campaign sought to strengthen the forces in the state and also honor a most popular official.

## SEE GOOD WORK IN ILLINOIS

## State Fire Marshal's Department Has Just Successfully Run Two Firebugs to Bay

State Fire Marshal S. L. Legreid of Illinois has secured the conviction of Irvin Suite for attempted arson in Williamson county. The case grew out of a fire set in a hardware store of H. H. Heasley at Creal Springs, apparently

for the purpose of concealing a robbery. A piece of an envelope bearing Suite's name was found after the fire and proved his undoing. The loot, consisting of some knives, razors and a shotgun or two, was recovered in two wells. Suite was brought back from Kentucky and pleaded guilty when arraigned. The evidence was developed by Deputy State Fire Marshal Paul W. Baker and Deputy Sheriff Joe Shafer.

## Get Confession at Danville

Deputy George O. Land of Mr. Legreid's staff has just secured a confession from Edwin A. Schuetz covering the burning of a dwelling and contents owned by him at Danville. The deputy secured evidence that articles had been removed from the house before the fire and recovered some of them. Following his confession he was arrested for burning to defraud.

## Cleveland Urges Recodification

Harry H. Cleveland, veteran Rock Island, Ill., local agent and leader of the insurance reform movement in the state, declares that the time is now ripe to create a public demand for a revision and recodification of the insurance laws of the state, with a view of eliminating the antiquated statutes that have hampered the development of insurance in Illinois and prevented the state from becoming the real insurance center of America. He is a staunch advocate of a separate and independent state department of insurance.

## May Remove Jackson "Fire Traps"

JACKSON, MICH., June 27.—Presence of many ancient wooden structures in bad condition within the fire limits is the incentive for a budding campaign by the fire department which is expected to result in the razing of many of these "fire traps." A quiet inspection of the downtown district, with particular reference to the buildings which constitute unusual hazards, has been under way here for several months. A detailed resume of the findings of the inspectors has just been handed to Chief Pritchard. He announced that arrangements have been completed to obtain the services of an assistant fire marshal, who will come here with the idea of assisting the local department authorities in condemning and removing the offending structures. The city is unusually closely built, it is said, with correspondingly high conflagration hazards in event a fire gets out of hand.

## Public Fire Enters Michigan

LANSING, MICH., June 27.—The Michigan department has licensed the Public Fire of Newark for fire, marine and automobile business. Vice-President Fred A. Rye, who was in the state to arrange licensing details, is particularly well thought of by department officials, several of whom remember him both as manager of the Commercial Union fleet and as one of the Michigan Inspection Bureau's first officials who helped institute the Dean schedule in this state. At the time of his conference with department executives, Mr. Rye informed them that no state agent had yet been selected.

## Owosso Improvements Urged

OWOSSO, MICH., June 27.—Many improvements in the protection facilities of Owosso are urged in a report by O. M. Henn, manager of the Michigan Inspection Bureau, following a survey of the city a few weeks ago by bureau operatives.

While the city as a whole averages fifth class in protection, it drops to seventh class in building laws and hazards and is only sixth in fire department and fire alarm system, according to the report. A fourth class showing in water supply and structural conditions raises the general status to fifth.

Although the water supply is graded relatively high, the supply itself from wells is probably not inadequate, it is brought out. This deficiency, it is conceded, is offset to some extent by good storage facilities. The pumping capacity is fairly adequate, but the distribution system is scarcely up par with too high a percentage of small mains. The hose and chemical service of the fire department are commended, but the lad-

der service is criticized and the fire ordinances are called inadequate.

## Michigan Notes

W. F. Bartlett, who is with the Underwriters Adjusting Company at Grand Rapids, Mich., is the father of twin girls, born last week.

Authorization to write fire, tornado and windstorm coverage has been given by the Michigan department to the Universal of Newark.

A \$25,000 fire the past week damaged the warehouse on the seventh floor of

the Crowley-Milner department store in Detroit. The blaze was brought under control with some difficulty by the fire department after it was feared that the entire building was periled. Origin of the fire was not determined.

One of the last large lumber mills of Boyne City, Mich., was destroyed by fire this week when the double band sawmill formerly owned by the Boyne City Lumber Company, but recently the property of W. F. White, was completely razed. The mill had not been operated for about three years on account of the lack of lumber in the vicinity. Exact loss has not been estimated.

## STATES OF THE NORTHWEST

## PERMANENT COUNCIL SOUGHT

## Would Act as Board of Arbitration in Connection With Milwaukee Agency Appointments

MILWAUKEE, June 27.—Organization of a permanent council, which would act as board of arbitration in Milwaukee county for the fire, casualty and surety business, was suggested at a meeting of part of the committee appointed to consider the part-time agent situation in Milwaukee.

Such a council would regulate the appointment of part-time agents, with the idea of eliminating the "unqualified" agent from the business. The members of the committee who were present last Friday expressed the opinion that there is a place in the insurance business for the agent who goes on part-time to learn the business, with the idea of eventually making it his livelihood, but no place for the man who is given a license and only writes a few policies a year and who has no intention of making a career of insurance.

Committee members feel that the casualty business is the one which needs to be cleaned up as far as the unqualified agents are concerned. There are too many automobile mechanics, garage men and others in various lines of work who are given agents' contracts and licensed, simply because they are able to get some business from among their friends.

The entire committee, which represents the Milwaukee Board, the Casualty Underwriters Association, the Surety Underwriters Association, non-affiliated and mutual companies, will hold a meeting July 9 to go into the problem more thoroughly.

## Armour Graduates to Wisconsin

MILWAUKEE, June 27.—Fred D. Payne and Harvey Koge, graduates of Armour Institute, Chicago, have been assigned to positions as inspectors on the staff of the Wisconsin Inspection Bureau. They have been with the Inspection Bureau during their summer vacations while they were attending school.

Three Armour students have been assigned to the bureau staff for this summer. N. C. Marten has been sent to the Madison office, Henry Eckelmann is at Eau Claire and Arthur Jens is in the Milwaukee office.

## North Dakota Hail Losses Light

BISMARCK, N. D., June 27.—Hail losses for the first two weeks of the 1928 season were comparatively light, a statement by the state hail insurance department shows. Only 133 claims have been filed since the season opened. Thirteen claims, filed before the state insurance became effective, were rejected.

## Northwest Mutuals Elect

ST. PAUL, June 27.—J. Lindley Coon, Cedar Rapids, Ia., was elected president of the Northwestern Association of Mutual Insurance Companies at their annual meeting here. E. H. Moreland, Luverne, Minn., was named vice-president; O. M. Thurber, Owatonna, reelected secretary; John Bexton, Owatonna, treasurer.

The board of directors includes, besides the president and secretary, G. W. Wilkinson, Monroe, Wis.; H. J. Borne-

man, Sioux Falls, S. D.; A. W. Nygaard, Grand Forks, N. D.; D. O. Milligan, Des Moines, Ia.; Hjalmer L. Hjermstad, Red Wing, Minn. Almost 200 delegates attended the convention.

## Seeks Better Rural Protection

PIERRE, S. D., June 27.—The state fire marshal is attempting to secure aid in small communities toward better fire fighting equipment easily available. His plan is the location of chemical and pump equipment in small villages, or at central points in farm communities, where the equipment will be properly cared for and be ready for use in farm and small village fires. His plan carries with it the use of the chemical engine as far as possible and the better use of whatever water might be available through the pumping engine when it reaches the location of the fire, this to take place of the country "bucket brigade" in fire fighting.

The question of financing the purchase of such equipment is of course the main difficulty in many locations, but it is suggested that if the money can not be raised by business men in the small villages, farmers might help. Several small towns have already put in the chemical equipment and the desire of the state fire marshal is to have this work extended to cover as many villages and rural communities as he can induce to take up the plan.

## Take Tax Certificates for Premiums

LADYSMITH, WIS., June 27.—Five agencies in this city have made a deal with the county commissioners whereby they will furnish insurance for the county on the basis of payment of the insurance premiums by the county with tax certificates. Of these certificates, the insurance agencies will select 87½ percent and the county commissions will assign 12½ percent. In addition, the agencies getting the county business pledged themselves to bid in additional certificates at the tax sale to the amount of 50 percent of the premium paid.

This is believed to be one of the first situations of its kind in Wisconsin and insurance interests in other parts of the state, particularly throughout the northern part, are watching the outcome of the arrangement with considerable interest. There is a possibility that it may lead to other county boards doing the same thing with land which has been turned back to the counties for taxes because it is non-productive.

## Inspection Bureau Weddings

MILWAUKEE, June 27.—June seems to be the month of weddings and engagements among the office staff at the Wisconsin Inspection Bureau, as one member was married in June and two engagements have been announced. Miss Lydia Franz was married June 21. Miss Dolores Janusz will leave the office July 7 and will be married July 17. The engagement of Miss Gretchen Straube has been announced.

## Increase Penalty for Shingles

MINNEAPOLIS, June 27.—A new schedule on dwelling rates has been issued by the General Inspection Bureau. Among the changes made is the increase on the rates for shingle roofs as compared to composition roofs. The rate on shingle roofs is now 8 cents higher than on composition roofs, whereas under the old schedule there was a difference of only 4 cents. Experience has demonstrated, according to A. E. Strudwick, that 4 cents was not high enough.

The rates are not issued in a single

(CONTINUED ON PAGE 44)



# The National Underwriter

THIRTY-SECOND YEAR  
NUMBER 26

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, JUNE 28, 1928  
Office of Publication, 175 West Jackson Boulevard, Chicago, Illinois

WEST VIRGINIA AGENTS'  
MEETING

## Separation Is Chief West Virginia Issue

Agents Discuss Differences with Uniformity Committee at Charleston Convention—A. J. Kincaid Reelected President

THE annual meeting of the West Virginia Association of Insurance Agents at Charleston this year was unusual in that the air was tense with feeling over the controversy that the association has engendered with the West Virginia Uniformity Association on account of the contract the company association is endeavoring to have signed by the agents, wherein they guarantee to represent only Uniformity Association companies and continue the 20 percent flat commission scale, or if they continue on a mixed agency basis, they are reduced to 10 percent. This contract was fought by the officers of the West Virginia Association of Insurance Agents who objected very strenuously to the separation feature. It led to the state insurance department securing an injunction in the Kanawha County court restraining the companies from putting the contract into effect.

### All Hands Are Refusing to Yield a Point

The argument as to the permanency of the injunction has not been made and the matter is still hanging fire. In the meantime the officials of the state insurance department refuse to budge or yield and the West Virginia Association of Insurance Agents has taken a firm stand against the separation clause in the contract. The West Virginia association did agree to a contract wherein the agent would pledge himself not to receive more than 20 percent flat from any company in his office. The West Virginia Uniformity Association, however, feels that the mixed agency situation will never prove effective or satisfactory. The issue between the local agents' association and the companies was brought out in the address of Presi-

### OFFICERS ELECTED

#### PRESIDENT

A. J. Kincaid, Montgomery

#### VICE-PRESIDENTS

1st District, W. F. Alexander, Charlestown; 2nd, W. R. Chapman, Morgantown; 3rd, B. F. Horner, Clarksburg; 4th, J. Hendrix, Wheeling; 5th, George E. Robson, Charleston; 6th, C. V. Feller, Mullens.

#### EXECUTIVE COMMITTEE CHAIRMAN

H. H. Keim, Elkins

Grievance Committee, Ray Evans, Bluefield; Legislative, Joel Shrewsbury, Parkersburg; Membership, E. C. Nuzum, Fairmont; Fire Prevention, H. S. Ellis, Huntington.

#### CONFERENCE COMMITTEE

C. A. Staats, Huntington, Chairman; A. Blakeslee White, Parkersburg; J. T. Crane, Charleston.

#### SECRETARY-TREASURER

C. Irving Thornburg, Huntington.

dent A. J. Kincaid, in the report of C. A. Staats, chairman of the conference committee, and the report of R. A. Foose, chairman of the executive committee. It came to the surface on numerous occasions during the meeting. The executive session Thursday afternoon was devoted entirely to a consideration of this subject.

Unfortunately, the feeling is strong in West Virginia. There was not a company official or a field man at the

meeting. Evidently all felt too embarrassed to be present. On the last morning there were two or three field men in the lobby of the hotel, but none ventured up to the meeting room. While a number of members of the association signed the contract and the Bluefield local board decided its members should sign, those present at the Charleston meeting, with few exceptions, stood by their officials.

A. J. Kincaid of Montgomery was re-

elected president. He has been ill during part of his administration, but he is regarded as one of the most able and effective workers in the state, coming, as he does, from one of the smaller points. Deep regret was felt at the announcement of the nominating committee that C. Irving Thornburg of Huntington, who has served the association so efficiently and satisfactorily for the last six years as secretary will be obliged to retire from the office owing to business demands. Mr. Thornburg agreed to serve until September when the fiscal year starts. He is one of the most able secretaries of any state association. It was a matter of genuine regret that he feels constrained to retire from office. The executive committee will now be put to it to secure a successor.

### H. H. Keim Now Heads Executive Committee

R. A. Foose of Wheeling who was chairman of the executive committee last year and did most excellent service did not desire to be reappointed. H. H. Keim of Elkins, one of the coming men in the organization, who is very sincere and influential, was chosen to this important post. Ray Evans of Bluefield continues as chairman of the grievance committee, Joel Shrewsbury of Parkersburg is again chairman of the legislative committee, C. A. Staats of Huntington continues as chairman of the conference committee. E. C. Nuzum of Fairmont is the new chairman of the membership committee. H. S. Ellis of Huntington is the new chairman of the fire prevention committee.

One of the most able addresses of the entire convention was given Friday morning by Major C. R. Morgan of



A. J. KINCAID, Montgomery  
President



C. IRVING THORNBURG, Huntington  
Secretary



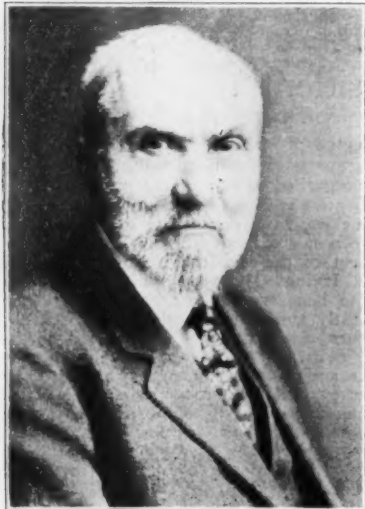
R. A. FOOSE, Wheeling  
Retiring Executive Committee Chairman



R. P. DeVAN, Charleston  
National Executive Committee Chairman

Charleston, who was formerly deputy insurance commissioner and a man profound in thought, farseeing in vision, influential in the political and civic affairs of West Virginia. Major Morgan outlined the agency relationship in a way that brought the members to a realizing sense of their responsibility.

The report of the presidents of the local boards on the recommendation of President Kincaid that they be made ex-officio members of the executive committee stated that under the present constitution and by-laws such a course cannot be taken until the proper amendment is made. When this is done, President Kincaid's recommendation can go into effect. The president appointed C. R. Morgan of Charleston, M. C. Blake, Huntington, and C. W. Evans of Fairmont as a committee to make



**W. S. FOOSE, Wheeling**  
First President

the proper revision of the constitution and by-laws.

A letter was read from Secretary Gausepohl of the Kentucky Association of Insurance Agents stating that at the meeting of the executive committee a vote of confidence was given to the West Virginia association in its efforts to secure a revision of the West Virginia uniformity agency contract.

Secretary Thornburg paid a tribute to the late Vice-President E. C. Baxter, who died last February. Mr. Baxter was elected to office at the last annual meeting and was one of the most active in securing new members.

## Reminiscences of the Early Days of the West Virginia Association

By W. S. FOOSE, Wheeling

IT WAS in the early part of 1899 that several agents in Wheeling discussed the needs and possible good that could be expected of an association of insurance agents, similar to the Wheeling Board, which was then some 25 years old. A state board of underwriters was about what they had in mind. They had evidently read of the organization of the National Association of Insurance Agents, and knew that others had had the same idea.

In those days the agents were beset with problems as troublesome as those of today. They lacked the cooperation of companies, which to a great degree is enjoyed at this time. More important even than company cooperation was the utter lack of agency cooperation or, indeed, friendships. Few agents knew

Morgan & Co., Grafton; Washington & Alexander, Charleston; Lohmeyer & Goshorn, Charleston; Jos. Ensheimer, Wheeling; Alexander & Alexander, Clarksburg, and A. A. Warren, Weston.

### Most of the Firms Are Still in Existence

It will be noted that except through death or discontinuance of the business, all of the firms represented are still active members of our association. This itself should be sufficient inducement to the present-day agent to join the only association in existence for the betterment and insurance of his business.

The first officers were: President, W. S. Foose, Wheeling; first vice-president, W. D. Paden, Parkersburg; second vice-president, F. E. Nichols, Fairmont;

W. S. Foose of Wheeling, who celebrated his 85th birthday anniversary last Sunday, is the father of the West Virginia Association of Insurance Agents. He was one of two Wheeling agents who were responsible for the first meeting. He served as president of the state association for eight successive years, being chosen its first head. He then was elected a member of the executive committee. His son, Ray A. Foose, was chairman of the executive committee during the past year.

each other or appeared to have any regard one for another. In this disorganized condition, both they and their business were open to attack by any and all companies and brokers.

### First Meeting of West Virginia Agents

The minutes of our association disclose that a meeting was called for Sept. 5, 1899, for the purpose of organizing a state association. This meeting was in Wheeling. The names of those present were:

W. S. Foose, J. L. Strockline, L. A. Rolf, W. R. Write, F. Reister, E. B. Bowie, J. Devine, A. F. Faulkner, D. E. Stalnaker, W. R. Rice, D. G. Morgan, Sr., Chas. O. Roemer, Platoff Zane, Peebles Tatum, all of Wheeling; W. D. Paden and E. P. Chancellor, Jr., of Parkersburg; R. L. Hutchinson, Pt. Pleasant; Chas. A. Showacre, Moundsville; Dr. J. W. Cooper, Wellsburg; C. L. Bradley, New Cumberland, and A. W. Werninger, Huntington.

In addition to those present, letters were read from N. G. Keim, Elkins;

secretary, A. F. Faulkner, Wheeling; treasurer, Wm. Lohmeyer, Charleston; chairman executive committee, Dr. J. W. Cooper, Wellsburg.

It is worthy of note to record that the West Virginia association recognized its problems as being both local and national as early as 1900, for its president was instructed to attend the meeting of the National association at Milwaukee that year.

### Resident Agent Law Was Put on the Books

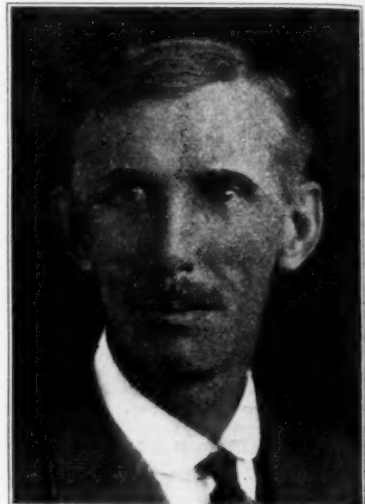
Surrounded as our state is by five great states, and just then beginning to develop commercially, one of the very first reforms thought necessary was a resident agents law curbing the activities of the non-resident agent and broker and non-admitted companies. Such a law was passed in the 1901 legislature. The benefits were not enjoyed for some time after that, as the association evidently did not enjoy the confidence of the auditor's office in the same degree that it now does.

From 1899 to 1904 there were five an-

nual meetings, all of which were held in Wheeling, although membership was as general as could be expected with the limited amount of work possible with the very low annual dues which were then charged (\$2.00 per year).

### Engineering Service Had Its Beginning

A special meeting was held in February, 1905, in Clarksburg at the request of the agents in that vicinity, most of whom had been members but had dropped out, but who again joined at that meeting because the line of the General Distributing Company had been written at a cut rate, as well as the line of the Merchants Coal Company. The agents were asking for associated help to have this competition removed. I cannot say as to the outcome. It is in-



**C. W. THORNBURG**  
Huntington

interesting to note that at this meeting a committee was appointed to ask the West Virginia Fire Underwriters Association and companies for schedules of rates to be placed in the hands of the agents, so that they could familiarize themselves with them, intelligently explain to the assured how and why rates were made, and also to suggest to assured improvements which would lower their rates. This appears to be the beginning of our so-called engineering service.

At the ninth meeting held at Clarksburg, Sept. 10, 1907, C. B. Alexander was elected president, allowing me to

(CONTINUED ON PAGE 64)

## CHARLESTON, WEST VIRGINIA BOARD OF FIRE UNDERWRITERS

*Pledges its hearty cooperation and support to the State and National Associations and their principles.*

American Insurance Agency  
Beckenstein-Emerick Company  
Bush & Sullivan  
Clendenin Insurance Agency  
DeVan & Company  
R. B. Cassady Company  
Gallagher & Sutherland  
C. T. Hawkins & Company

Insurance Agency of Kanawha  
William Jones  
Liberty Insurance Agency  
C. R. Morgan  
Patterson, Bell & Crane  
Southern Underwriters, Inc.  
Valley Real Estate Company  
Virginian Insurance Agency  
West Virginia Agency



# Annual Address of the President

A. J. KINCAID, of Montgomery, W. Va., president of the West Virginia Association of Insurance Agents, in his annual report at the Charleston meeting paid considerable attention to the separation movement inaugurated by the members of the West Virginia Uniformity Association sending out what is now known as the "green contract" asking agents to sign it agreeing not to represent any other than Uniformity Association companies, or if they did, they would be put on a 10 per cent flat basis. President Kincaid on Nov. 7 addressed a letter to the members advising them not to sign it until it could be considered by the executive committee. The committee was called together at Charleston, meeting there Insurance Commissioner Mallison and Deputy W. E. White.

## Insurance Department Opposed to Separation

Mr. Kincaid said that the committee found the officials of the insurance department were opposed to the separation feature. The committee, therefore, mailed a letter Nov. 23, setting forth objections to the provisions of the contract. The agents were asked to write their companies to the effect that the contract was not satisfactory and they could not sign it. The state insurance department arranged a conference between the supervisory committee of the Uniformity Association and the conference and executive committees of the agents' association. This was held in New York, Dec. 15. It was attended by C. A. Staats of Huntington, chairman of the conference committee; R. A. Foote of Wheeling, chairman of the executive committee; Frank R. Bell of Charleston, A. B. White, Jr., Parkersburg; Deputy Insurance Commissioner W. E. White, Attorney D. C. Howard of Charleston, who had been retained by the agents' association, and Mr. Kincaid. Mr. Bell acted as spokesman for the agents' association; Captain White for the insurance department, and W. Ross McCain of the Aetna for the companies. The supervisory committee was willing only to make slight amendment to the contract, according to Mr. Kincaid.

The agents' association filed with the supervisory committee a brief setting forth its objections and giving reasons why it could not be signed. Prior to the conference in New York the executive committee met at Parkersburg which meeting was attended by a large

number of agents, there being about 50 present. A committee of three was appointed to draft a contract that would be satisfactory to the agents' association to be submitted to the companies. This was prepared and sent on, but was rejected.

The controversy in West Virginia attracted the attention of the National Association of Insurance Agents. After some correspondence a conference was arranged with the members of the supervisory committee. At this meeting the committee agreed to amend the contract to provide 12½ per cent commission in mixed agencies instead of 10. The report of the conference between the officers of the National association and the supervisory committee was reported to a meeting of the executive and conference committees of the West Virginia association at Charleston, Feb. 27. The joint committee declined to accept the proposition offered by the companies.

President Kincaid in his address stated that recently the association was advised that some of the field men in the northern part of the state were spreading propaganda among the agents, apparently, as he declared, for the purpose of weakening the morale of the agency force and causing dissension

among members of the organization. The association therefore sent a delegation consisting of Frank R. Bell, C. A. Staats, C. W. Thornburg, R. P. DeVan and R. A. Foote through that section of the state to offset the movement. They met the agents at Parkersburg, Clarksburg, Fairmont, Morgantown and Wheeling. The situation was explained to the agents. President Kincaid said that the agents in these towns expressed a determination not to be influenced by propaganda, but to follow the course that they had been pursuing and stand by the association.

## Insurance Department Took Positive Hand

President Kincaid then told about the state insurance department taking the matter of separation up with the companies. The letter from the department dated Dec. 20 declared that the proposed contract was "unlawful, unnecessary, unjustifiable and injurious to the insurance business and to the insuring public in this state." The replies indicated that the companies would stand by the action of the supervisory committee in its position on the original contract. The insurance department sent out another letter Jan. 5, in which it insisted that the proposed contract be withdrawn. When no

action was taken the department secured from the circuit court of Kanawha county an injunction prohibiting the enforcement of the contract. This injunction is still pending. President Kincaid stated that he understood that a committee of company executives recently conferred with the state insurance department endeavoring to prevail on the officials to withdraw the court proceedings, but the company men were not willing to offer any modification in the contract that would be satisfactory to the department. Hence their request was refused.

The insurance commissioner was invited to attend a conference in New York. Commissioner Mallison met a number of officials, but nothing new was proposed, according to Mr. Kincaid, and no yielding was made on either side. Mr. Kincaid stated that in his opinion the agents cannot agree to any kind of contract that will lessen the remuneration paid them for their services, nor, he said, can they consistently sign a separation agreement. Mr. Kincaid called attention to the fact that D. C. Howard, of the legal firm of Price, Smith & Stilman at Charleston, had been employed to advise the conference and executive committees in their transactions.

President Kincaid stated that in all controversies the most effective support comes from the well organized local boards. He emphasized the importance of a local board that functions effectively. He recommended that the president of each local board be made ex-officio a member of the executive committee of the state association with equal voting power as that of any other member. The only restriction that he recommended was that the absence of an ex-officio member should not operate to prevent a quorum at a meeting of the executive committee. President Kincaid was seriously ill during the latter part of his administration. He said that he had the active support and cooperation of all the officers and committeemen. They carried on the work to his satisfaction.

## Executive Committee

### Reviews Separation

R. A. Foote of Wheeling, chairman of the executive committee, said that the companies are seeking a conference with regard to the separation situation in West Virginia precipitated by the demand of the West Virginia Uniformity



CAPT. W. E. WHITE  
Deputy Insurance Commissioner



FRANK R. BELL  
Charleston

## Greetings to West Virginia Agents

*With sincere thanks for a grateful appreciation of a multitude of friendly favors bestowed in the past by the State and National Association and their principles.*

## Huntington Local Board of Underwriters

### MEMBERS

Blake & Ensign  
G. I. Brammer  
F. D. Calley Insurance Agency  
Ellis Insurance Agency  
Harry Ferguson  
H. C. Gordon Company  
James H. Hall  
Harvey & Company

Staats-Blair Agency  
C. L. Hibner  
D. D. Holtz Company  
Huntington Ins. Agency  
Keller & Merry  
Chester A. Loar  
G. Don Miller Company

Young & Hundley  
D. J. Pancake & Sons  
H. E. Pletcher & Company  
Provident Insurance Agency  
E. S. Reeser Company  
Rucker-Billups & Fowler  
E. Shinkle  
Schoenfeld Brothers

F. M. Sturm  
G. C. Sullivan Ins. Agency  
Thompson-Sheppard Ins. Agency  
Thornburg Insurance Agency  
Vernum Insurance Agency  
Werninger & Brown  
Cecil Williams  
Young, Justice & Justice

Association in its "green contract." Mr. Foose said the executive committee of the West Virginia Association of Insurance Agents has not yet taken action on the proposed conference. Evidently, he said, there is an attack on commissions paid agents all along the line. He declared the companies are endeavoring to secure a reduction and trying to cut down the earnings of agents. He said syndicates and associations are being organized to write various special lines and cutting down the commissions thereby to agents. The agents, he said, are kept in a restless state.

This attitude on the part of the companies, he said, makes the agents suspicious. Mr. Foose gave it as his opinion that many companies are endeavoring to disrupt the American agency system. He said that in West Virginia some of the field men hold a series of policies and sign them on property written in the state and the agents are deprived thereby of their rightful commission.

## Secretary's Annual Report on Association's Past and Future

By C. I. THORNBURG

"WITHIN the last year, the necessity and importance of local boards to this association have been clearly demonstrated. In the cities where there is a good strong board your officers have had practically 100 per cent cooperation in their efforts to uphold the American agency system and the principles of this association. In our present controversy with the companies, our main strength has been from this source. On the other hand, in the cities where the agents are not organized and do not meet regularly, only scattered support is given, chiefly because the agents are loath to act in-

dividually for fear the others are not taking similar action. We have found these cities a very fertile field for some of the field men to spread misleading propaganda, in an effort to disorganize the work of your association. This should impress upon each of you the necessity of more attention to this subject. When you return to your homes, do so with a firm resolution to help build up your own board, if you have one, and if you do not, to lend your efforts to building up one. Support it by your interest and attendance.

"I want to urge you to elect officers who are not only qualified but who are

willing to devote the time necessary to properly conduct it. In order to more closely tie the local boards into this organization, I believe some provision should be made in the constitution to qualify local boards for membership; and the presidents of the boards which qualify should be made ex-officio members of the executive committee with power to vote, but not to be considered in constituting a quorum, as provided in the by-laws. I recommend that the president appoint a committee to consist of all local board presidents attending this meeting, to give this subject consideration and if favorable, to draw up the necessary amendments to be reported back to the meeting before final adjournment.

"Eight additional companies have been added to the cooperating list since my last report. They are: Guaranty Fire, Merchants Fire of N. Y., Michigan Fire & Marine, Mohawk Fire, New England

(CONTINUED ON PAGE 64)

## LEADING WHEELING AGENTS WEST VIRGINIA

O. E. STRAUCH  
Secretary

WM. F. STIFEL  
President

HENRY BIEBERSON  
Vice Pres.

WM. V. FISCHER  
Asst. Secy.

### Wheeling Fire Insurance Co.

Wheeling, West Virginia

INCORPORATED MAY 15, 1867

1867 - SIXTIETH ANNIVERSARY - 1927

SAFE

SOLID

SOUND

J. A. PHILLIPS,  
Special Agent

### ALFRED PAULL & SON

A. S. PAULL, General Agent

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## FAIRMONT BOARD OF UNDERWRITERS FAIRMONT, WEST VIRGINIA

WE BELIEVE FIRMLY IN THE NATIONAL AND STATE ASSOCIATIONS  
AND WILL WITH PLEASURE CONTINUE OUR HEARTY CO-OPERATION

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THE HOOD AGENCY, INC.

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SATTERFIELD-DILLE AGENCY



## DeVan Tells Aims of National Association

R. P. DeVan of Charleston, chairman of the executive committee of the National Association of Insurance Agents, gave a talk before the West Virginia Association of Insurance Agents, outlining the five-year development plan of the national body, the use of the automobile certificate, the plan for increasing membership 10 percent each year, the new accounting and agency system blanks recommended by the better business methods committee.

### Present System Found Defective

He said that the present agency system is effective in service giving and should not be discarded until something better is recommended. The qualification of members, he said, depends on the policy of each state. The National association makes recommendations, but the state associations decide on membership qualifications. He said, however, the National association is earnest in its recommendation that a man should be a member of his local board, where



JOEL SHREWSBURY, Parkersburg  
Chairman Legislative Committee

a local board exists, to be a member of the state association.

### Figures Will Tell Agency Earnings

He said that as the National association is gathering statistics from its members it will have convincing figures to tell what its earnings are. Agents will then have something definite with which to go to companies and organizations and show just what the agents are making.

Mr. DeVan said that the National association through its public relations committee is making friendly contacts with different trade organizations. He said that these organizations have greatly improved the conditions in the various lines. The agency system, he said, depends for its success very greatly on the efficiency of its trade organization. Mr. DeVan said that the National association wants 1,000 key men located throughout the country who are prepared at any time to make public contacts through service and unlock the door of ignorance.

Walter H. Bennett, secretary of the National Association of Insurance Agents, sent a telegram of greetings and good wishes.

A letter was received from A. Blakeslee White, Jr., former president of the association, who has been ill for a long time. He is now at Towson, Md., in a sanitarium endeavoring to get back his health.

There were 17 local agents present from Huntington which was a banner delegation.

## RESOLUTIONS ADOPTED

**RESOLVED**, that this association extend to its president and secretary its sincere thanks for the faithful and loyal services rendered during the past year as so well set forth by their respective reports.

**RESOLVED**, that the executive and conference committees be thanked for the efficient services rendered this association during the past year.

**RESOLVED**, that this association hereby approves and ratifies the actions of its officers and committees and particularly their defense of the rights of the members and the principles of our state and National associations. We regret that our companies, members of the West Virginia Uniformity Association, to which we have always shown loyal support in all matters in this state, should have failed to recognize the value and the spirit of friendly conference and cooperation, and the sound counsel and advice of our state insurance department, all of which would have prevented the action taken by the state courts.

**RESOLVED**, that all local boards, and all local agents, in towns where no local board exists, be urged to devote more time in stressing the importance of fire prevention methods in their respective communities, not only as a means of conserving property and loss of life, but as a means of securing lower rates. We further recommend full cooperation with the West Virginia Fire Underwriters Association in this work.

## Convention Committees Were Appointed

President Kincaid appointed the following committees:

**Resolutions**—M. R. Frantz, Fairmont, chairman; R. P. DeVan, Charleston; A. L. Keller, Huntington; W. R. Chapman, Morgantown; Joe Parks, Parkersburg.

**Nomination**—C. A. Staats, Huntington; Harry Saunders, Morgantown; C. A. Musgrove, Parkersburg; Frank R. Bell, Charleston; C. V. Feller, Mullins; Joel Shrewsbury, Parkersburg.

**Auditing**—H. H. Keim, Wilkins, chairman.

The committee of local board presidents to take up the matter of President Kincaid's recommendation that they be made ex-officio members of the executive committee consisted of C. W. Evans, Fairmont; M. C. Blake, Huntington; C. R. Morgan, Charleston; Fred L. Cummers, Parkersburg; Ray Evans, Bluefield; R. A. Foose, Wheeling; George E. Caldwell, Morgantown.

## Stressed the Value of Local Boards

A. L. Keller of Huntington prepared an address on the value of local boards. He was forced to go home at the end of the first day and his paper was read by J. C. Van of Huntington. Mr. Keller said that all points should have strong, virile local boards. Agents should merge their efforts, unite in upholding the good of the business and not allow petty jealousy to prevail. He said there are 800 fire and casualty agents in West Virginia. There are now 10 local boards. Of these only six can be said to function efficiently. He said that by united effort issues can be successfully met. He stated there are 31 members in the Huntington board.

### Sam T. Mallison Present

State Auditor Sam T. Mallison, who is insurance commissioner, was present Friday morning and in a brief address said the insurance department desires at all times to cooperate for the best interests of all concerned.

### Welcomes and Response

Hugh Walker, city manager of Charleston, gave the address of welcome. He was introduced by R. P. DeVan of Charleston. C. R. Morgan of the Charleston Board gave the address for the agents. C. W. Evans, president of the Fairmont Board, responded.

### Invitations for Meeting

Invitations for the next annual meeting were received from Morgantown and Huntington. The executive committee decides the time and place.

## Old Timers Honored at the Convention

R. A. Foose of Wheeling read the reminiscences of his father, W. S. Foose, who was the first president of the organization. The elder Foose gave the association much thought and time. C. W. Thornburg at the conclusion of the reading of the reminiscences moved that the association send to Mr. Foose the assurances of its continued affection and regard.

### Hendrix Is Recipient of Much Attention

J. N. Hendrix, who was secretary of the association for many years, was present and received much attention. He was elected secretary in 1904.

A. W. Werninger of Huntington, W. Va., familiarly known as "Uncle Gus", and E. P. Chancellor, Jr., of Parkersburg who were present at the first meeting of the association were on hand at Charleston, were asked to arise and were given an ovation.

## LEGISLATIVE SUGGESTIONS FOR WEST VIRGINIA

Joel Shrewsbury of Parkersburg, chairman of the legislative committee of the West Virginia Association of Insurance Agents, in his report made three recommendations—the abolition of solicitors, make all premiums payable in cash, with 30-day automatic forfeiture clause if the premium is not paid, and third, the repeal of the valued policy law.

C. A. Staats, chairman of the conference committee, after reviewing the attempt to bring about a change in the West Virginia Uniformity Association agency contract, recommended the incorporation of sidelines and casualty in the non-resident brokerage law. This law applies only to fire insurance. He said there are a number of non-resident agents writing side lines and casualty in the state.

### Membership Report

H. S. Ellis of Huntington, chairman of the membership committee, stated there were 40 members throughout the state given prospects to work upon. He said that most failed to respond. He declared that if the members do not cooperate with the membership committee and do some work on non-members, the association will not grow.

C. L. Heablin, state workmen's compensation commissioner and former local agent at Beckley, was present and gave a short talk.

Philip F. Lee of Baltimore, associate field director of the United States Fidelity & Guaranty, attended the meeting. He was the only company official present.

## Frank Bell in Charge of Annual Banquet

The annual banquet was held at the Kanawha Country Club with Frank R. Bell as toastmaster. He caused considerable merriment by presenting a framed picture of W. Ross McCain of the Aetna, chairman of the West Virginia supervisory committee, to President A. J. Kincaid of the West Virginia association in recognition of the "latter's great support and recommendation of the separation movement." Inasmuch as President Kincaid was leading the forces against separation the joke was greatly appreciated.

C. L. Stonaker of Charleston, local correspondent of THE NATIONAL UNDERWRITER, spoke. Capt. W. E. White, deputy insurance commissioner, in an address called attention to the danger of dealing with non-admitted companies.

D. C. Howard, the attorney for the West Virginia association, in talking about the contract the West Virginia Uniformity Association is asking the agents to sign, said that the public has



C. A. STAATS, Huntington  
Chairman Conference Committee

a right to the advantages of competition. The uniformity companies, he claimed, control 96 per cent of the business in West Virginia and should be satisfied with that. He said the people are entitled to the competition that independent companies offer. Attorney Howard believes that the companies are endeavoring to dictate too much and lose sight of the true relations they should sustain with their agents. He said agents should be allowed to represent various groups of companies at the same time if they take the same rate of commission. He declared that the present contract cannot be legally signed by agents.

C. M. Cartwright of THE NATIONAL UNDERWRITER, was also a speaker at the banquet.

### Strive for Southern Business

In their eagerness to get the desirable business of the southern Texas field some companies are reported as paying as high as 40 percent flat, plus 7½ percent contingent, predicated upon an agreed premium income. The strite is keen and managers generally are anxious as to the outcome.

### Liberty Bell to Increase Capital

The stockholders of the Liberty Bell of Philadelphia have approved an increase in capital from \$250,000 to \$1,000,000. The par is \$10 and the new shares will be sold at \$25. Henry W. Brown & Co. of New York are underwriting managers.

# Hotel Directory

## BREVOORT HOTEL

Madison Street  
East of LaSalle CHICAGO

Insurance Headquarters

Brevoort Hotel upholds worthily the best traditions of American hotels famed for hospitality.

When in Lincoln

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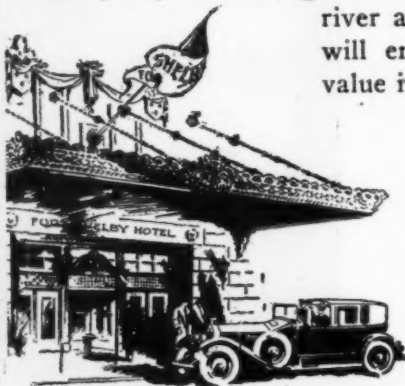
300 Rooms

Without Bath, \$1.50 and \$2 per Day.

With Bath,  
\$2.50, \$3, \$3.50 and \$4 per Day.

## HOTEL FORT SHELBY LAFAYETTE AND FIRST DETROIT

Whether your choice be one of the many very comfortable rooms at \$2.50, \$3 or \$4 or one of the richly furnished suites in the 22-story recent addition, whose sunny bay windows give an entrancing view of city, river and Canadian shore, you will enjoy a special sense of value in Hotel Fort Shelby.



All rooms have Servidors. Convenient to all downtown; principal shops almost at the door. Garage in connection; cars delivered without service charge. Excellent facilities for conventions.

Brochure on request.

In Des Moines it's

## The CHAMBERLAIN Hotel

Most Centrally Located  
250 Fireproof Rooms

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Read this month's issue of the A & H Review yet. Don't take it? Why, I'd feel that I was doing an injustice to my business if I missed a single issue. Its chock full of the things that keep you among the doers and go-getters of the Health and Accident business. You can get a sample copy for 20c or better still subscribe for a year—it costs you only \$2.00 and you'll thank me before you have read the first six. Send your sub. to

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CHICAGO

## CEDAR RAPIDS, IA. HOTEL ROOSEVELT

Rates: Room without Bath with private Lavatory \$1.50 and up. Rooms with Bath, Shower or Tub \$2.50 and up. R. G. KILL, Mgr.

"Insurance Men's Headquarters"  
LOS ANGELES, CAL.

## Hotel Hayward

Sixth and Spring Sts.



Rates from \$2.50 per day with bath

POPULAR PRICED COFFEE  
SHOP AND GRILL

H. C. FRYMAN, Proprietor

HARRY C. WAGENER  
RUSSELL H. WAGENER  
Managers

(CONTINUED FROM PAGE 38)  
publication, whereas before this the schedule of rates for each town in the

northern counties was published separately. This new plan will be much more convenient for all who use the rates.

## IN THE MISSOURI VALLEY

### COMMITTEE SETTLES ON PLAN

Kansas City, Mo., Agents Must Place Their Kansas Business Through Bona Fide Agents

KANSAS CITY, MO., June 27.—Agents from both Kansas City, Mo., and Kansas City, Kans., will place their business in the city in which they are not licensed through bona fide local agents of that town. This was the decision of the committee made up of representatives from the agents' association in both cities, which investigated the problem.

This means that the Kansas City, Mo., agents will give up the so-called dummy agents which they have had in Kansas. Every Kansas City, Kans., agent will have to take out a Missouri's broker's license in order to get a commission on his Missouri business.

No scale of commissions was agreed upon. It was left up to each agent to make an agreement with the agent in the other town through whom he places his business. The plan is perfectly legal and it is confidently expected that it will be approved by both the Missouri and Kansas insurance departments when it is put up to them.

### Kansas Commissioner Contest

John B. Smith, assistant insurance commissioner, and Charles Hobbs, actuary for the insurance department, want to be promoted to insurance commissioner in Kansas. Both are candidates for the Republican nomination in the August primaries. As the records of more than 30 years show that the minor offices on the Republican state ticket have regularly won even in the face of the loss of the national ticket and the governor to the Democrats, it appears certain now that either Mr. Smith or Mr. Hobbs will be the next insurance commissioner. Winning in the Republican primary is regarded as a certainty of office in Kansas.

I. A. Lower, a Topeka fire insurance man, will be the Democratic nominee. He has no opposition in his own party in the primary.

### Mounce Joins McKinney Agency

E. M. McKinney, Des Moines general agent, has taken C. C. Mounce as a

partner in his incorporated agency known as the E. M. McKinney Company. Mr. Mounce will be secretary. He has been state agent of the Phoenix of Hartford for the last 10 years. Mr. McKinney has made a success of his work, representing fire and casualty companies. The Lumbermen's of Philadelphia and the Central Surety of Kansas City have become connected with the E. M. McKinney Company as general agent. It also represents the American Equitable, Republic Fire and Continental Casualty.

### Swamped With Kansas Losses

WICHITA, KAN., June 27.—The force of the Western Adjustment at Wichita has been further augmented with the reporting of Adjuster Morris Scott of the Kansas City office and E. L. Penington from St. Joseph, Mo. The Western now has nine adjusters working in a desperate effort to catch up with the continuous stream of losses which have come into the office since June 8 from southwestern Kansas. Three men are stationed at Winfield, two at Caldwell, two in Wichita, one at Garden City and one at Scott City. If no further losses occur it will probably take a month to get back to normal, over 800 losses having been filed to date. Ashland, Englewood and Hugoton, where severe wind and hail storms occurred to both city and rural property, are bringing in the bulk of the claims at this time.

### Independent Board's Picnic

WICHITA, KAN., June 27.—The Wichita Association of Insurance Agents, recently formed "Independent" board, will hold its first picnic for families and office employees June 30. Offices of the members, now numbering nearly 20, will close early. Tom Lindley of the Fisher-Moore Investment Co. and Earl F. Finley have charge of the affair. Weekly meetings are being held by the new board at the Lassen Hotel and have enthusiastically attended to date. C. I. Cochran of the Peoples Securities Company is president and J. D. Wood of the Wood Agency, secretary.

### Firebug Liable, Sane or Insane

LINCOLN, NEB., June 27.—Any person who burns the property of another, willfully and feloniously, is liable for the loss sustained whether the firebug is sane or insane, says the Nebraska Supreme Court in sustaining the verdict secured in Douglas county by Louis Armbrust against the estate of his deceased

Two Squares from Chicago's Insurance Center

## Great Northern Hotel

Dearborn Street from  
Jackson to Quincy  
CHICAGO

The "Comfortable Great Northern" is in Chicago's central business section, within one block of State Street, the great shopping thoroughfare, and close to the theater, financial and wholesale districts.

400 Large, Bright, Livable Rooms, \$2.50, \$3, \$3.50, \$4, \$5, and a few extra large corner rooms at slightly higher prices. For two persons in any room the additional cost is only \$1 a day. No extra charge over main restau-



rant prices for service of meals in guest rooms.

Garage near. Guests' cars delivered without service charge.



uncle, Charles Gans. The latter was an eccentric old bachelor of considerable wealth who lived in a shack on the farm that he rented to the nephew. The testimony was that he had repeatedly said that he did not intend to repair or repaint any of the farm buildings because they were all insured for more than they were worth, and if they did not blow down he intended to set fire to them and collect from the insurance companies. He died shortly after the fire that burned the tenant house and all of Armbrust's household effects.

The court held it was not material to the issue how much, if any, Armbrust collected from the insurance companies that held policies on his destroyed effects.

#### Wichita Insurors' Picnic

WICHITA, KAN., June 27.—The annual picnic of the Wichita Insurors last Thursday was attended by 200 people, members, families, office forces and guests, including field men who were in the city. All offices closed early. A fried chicken dinner was the big feature. Baseball, horseshoes, croquet and other sports were arranged by the entertainment committee.

The baseball game between Wheeler, Kelly, Hagney, et al., and Dulaney, Johnson, Yankee & Priest and assistants attracted the largest gallery. "Herb" Blinn broke up the horseshoe tournament when he threw a double ringer. Duane Stover was general chairman and Howard Snyder assistant.

#### Central Kansas Field Club Elects

WICHITA, KAN., June 27.—The annual meeting and election of officers of the Central Kansas Field Men's Club was held in Wichita Monday. Thirty were present, including the following guests: J. A. Martin of the St. Louis office of the Western Adjustment; Geo. B. Side of H. T. Lamey & Co., general agents, Denver; Howard Snyder of Smith, Stone & Snyder, Wichita; Vernon Hooser and Lester Thomas of Wheeler, Kelly, Hagney, Wichita; C. M. Andrews of Monarch Investment Co., Wichita; and E. C. (Bob) Moore of Harris, Burns & Co., Wichita.

Austin Stone, independent adjuster, member of the club, was presented with a fountain pen desk set by the retiring president, Col. Sam F. Woolard, on behalf of the organization, in appreciation of discussions on the New York standard form policy which Mr. Stone has led since the first of the year.

The new officers are: President, Austin Stone, independent adjuster; vice-president, Clarence E. Bleckley, state agent for the Rhode Island; secretary-treasurer, E. B. Fergus, with the Wichita office of the Kansas Inspection Bureau. No meetings of the club will be held until Sept. 10.

A revised membership list of the club shows 38 active members.

#### Iowa Blue Goose Meeting

DES MOINES, June 27.—P. J. Clancy and John Petty, local agents of this city, were guests at this week's luncheon meeting of the Iowa Blue Goose. Mr. Clancy reported on last week's meeting of the Des Moines local board where the recent 4-cent reduction on dwelling houses with approved roofs was discussed. Mr. Clancy said that in view of the extra work and trouble in granting the reduction on business already in force, the local agents had agreed to apply the reduction only on new and renewal business, unless the assured requested the reduction, in which case the policy would be rewritten.

The bulletin did not differentiate between business in force and new and renewal business. And the local agents are hoping for issuance of a new bulletin making the reduction applicable only on new and renewal business. Field men present at the meeting agreed to instruct their local agents to follow the plan of the Des Moines local agents and avoid making the reduction retroactive.

At the suggestion of Most Loyal Gander Hall it was voted to discontinue the Monday luncheon meetings of the Iowa pond until the second Monday in September. The next get-together of the Iowa pond will be the annual midsummer splash at Lake Okoboji July 19-20.

#### Note Due, Unpaid; Suspends Policy

LINCOLN, NEB., June 27.—The failure to pay a premium note when due and before a loss occurs automatically suspends a fire insurance policy, and there

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A Calculating Machine

TO CLEAR  
DIALS  
YOU  
PRESS KEY

Clearance is automatic  
—lightning fast eliminating all handle "cranking."

TO MULTIPLY  
PRESS ANOTHER  
KEY

Multiplication also is automatic—result appears instantaneously.

Write or  
consult  
your  
phone  
book

BEFORE YOU  
DECIDE SEE  
MERCHANT.



15 YEARS  
BUILDING  
CALCULATING  
MACHINES—  
AND NOTHING  
ELSE

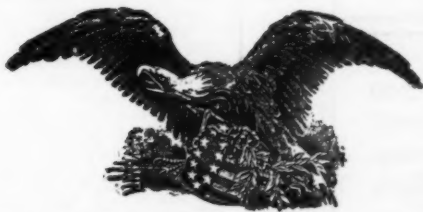
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MERCHANT CALCULATING MACHINE CO.  
New York Chicago Oakland London  
Sold and serviced in all principal cities  
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## RATE REDUCING APPLIANCES

Non-Explosive Safety Cans and  
Automatic Oil Waste Cans  
Each can bears the label of the  
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the Associated Factories Mutual  
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Its Name Indicates Its Character  
Operating Along Sound Lines

Safeguarding  
Home  
and  
Business

# TRINITY FIRE INSURANCE COMPANY

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HOME OFFICES: SANTA FE BUILDING, DALLAS

"Time Tried  
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Fire Tested"  
since 1854

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## AMERICAN ALLIANCE INSURANCE COMPANY NEW YORK

STATEMENT JANUARY 1, 1928

CAPITAL  
**\$2,000,000.00**  
RESERVE FOR ALL OTHER LIABILITIES  
**2,017,332.55**  
NET SURPLUS  
**4,382,692.33**  
ASSETS  
**8,400,024.88**  
SURPLUS FOR THE PROTECTION OF POLICY HOLDERS  
**\$6,382,692.33**  
LOSSES PAID POLICY HOLDERS  
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Organized 1867

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Capital \$200,000.00  
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SAFE SOLID SOUND

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can be no recovery, says the supreme court in reversing the lower court which gave a judgment for F. M. Kellie against the National of Hartford. The plaintiff is entitled to recover the unearned portion of the premium covered by the note, but it would be useless and illogical, it says, to bar the company from making a defense on the policy unless it had returned the unearned premium and the cancelled note.

After the note had become due and before the loss, Kellie had made a payment on the note. This money the company retained and never tendered back to him. In amount it was sufficient, at the short term rate, to carry the policy beyond the date of the loss. The court says that the acceptance of the money was not a waiver on the part of the company of its defense of no liability and did not establish a claim not then in force.

### Kansas Notes

The Kansas Inspection Bureau has published new rate books on Benedict and Walton.

R. M. O'Connell, assistant engineer of gases and oils of the Underwriters Laboratories, was in Wichita last week.

Fred D. Hess, assistant manager of the western department of the American, recently spent a week visiting agents in Kansas in company with State Agent J. S. Olund.

The funeral of Mrs. W. W. Blandin, whose husband is a member of the Blandin & Webb agency, member of the Wichita Insurers, was held Monday in

Wichita. Mrs. Blandin's health had been failing for some time.

E. J. Stewart, chief engineer of the Kansas Inspection Bureau, and O. J. Swander, assistant, have completed tests of the new 1000-gallon triple combination American La France pumper recently received by Abilene, Kan.

Sawyer, Kan., 80 miles west of Wichita, suffered a disastrous fire Saturday when the Brubaker hardware store, a frame structure, was completely destroyed. Insurance was approximately \$12,000, about 50 percent of which was carried by the mutuals.

### Missouri Notes

The Missouri State Fire Prevention Association is inspecting West Plains Thursday and Friday of this week.

John H. Crandall, associated with his son-in-law, L. S. Davis, in the L. S. Davis & Co. agency, Kansas City, Mo., died there June 23 of heart disease. He had been in the insurance business here since 1916.

Louis Wollbrinck, 61, died suddenly at his home in St. Louis Sunday. Cerebral hemorrhage caused his death. Mr. Wollbrinck, a native of St. Louis, prior to entering the real estate and insurance business, was city assessor from 1917 to 1921.

A total loss of \$50,000, partly covered by insurance, was sustained at Alma, Neb., June 22 when the Orleans flour mills burned. Several carloads of flour, 1,000 bushels of wheat and a large amount of feedstuffs were burned. The mill was owned by H. C. Smith of Orleans.

## STATES OF THE SOUTHWEST

### WOULD CHECK DALLAS LOSS

Increase for First Four Months Alarms  
Fire Prevention Council—New  
Officers Named

DALLAS, June 27.—Fire losses in Dallas for the first four months increased \$162,825 over those for the same period last year. This condition so alarmed the Dallas Fire Prevention Council that it called a meeting to consider methods for eliminating some, at least, of the mounting fire loss in Dallas. The meeting resulted in the organization of a committee to work toward changing the arson laws of the state. T. L. Monagan, long well known in fire insurance circles in Dallas, was elected vice-chairman, with A. L. Reuble as chairman, and Andrew Priest, assistant district attorney, chairman of the committee to seek the revised legislation.

Mr. Priest called to the attention of the council the present ineffective law which will not allow a case to go to the jury, even when the guilty man has confessed, unless there can be produced an eye-witness who saw the culprit at the scene of the fire at the time of its setting. He suggested a change might be helpful that would admit the fact that the house did burn down to be sufficient corroboration of the man's admission of his guilt, and also the privilege of permitting the firebug to turn state's evidence against the owner of the house who employed him to set the fire.

S. W. English and Robert J. Smith, members of the chamber of commerce, were also elected members of the committee on remedial legislation.

### Oklahoma Business Prospers

OKLAHOMA CITY, June 27.—Prosperous business conditions in Oklahoma are mostly responsible for the increased premiums in all lines as reflected in reports of insurance companies, in the opinion of Commissioner Jesse G. Read. Funds coming to the state treasury from this source of revenue indicate about \$1,050,000 for this year, as against \$987,514 for the year previous.

So far 22,000 licenses have been issued by the department to agents. This work has not yet been completed and it is estimated that when finished approximately \$115,000 will have been collected by the department from this source.

Agents of Oklahoma companies are required to pay a license fee of only 50 cents. This is to encourage home companies.

### ATKINSON IS NOW THE HEAD

Oklahoma Blue Goose Elected Officers  
of the Pond at Its Meeting This  
Week

OKLAHOMA CITY, June 27.—James A. Atkinson, secretary of the Oklahoma Fire Prevention Association, was elected most loyal gander at a meeting of the Blue Goose with R. L. Maxwell, Norwich Union Fire, supervisor of flock; E. R. Smith, Home of New York, custodian; F. C. Newcomer, Cotton Insurance Association, guardian; W. B. Clinite, manager Oklahoma Audit Bureau, keeper of the golden goose egg. T. Ray Phillips, Niagara Fire, was re-elected welder. A. M. Nielson, Pennsylvania Fire, and Guy H. Fuller, Fuller Adjustment Company, were elected delegates to the grand nest. The pond was in receipt of a wire from the chairman of the group life insurance plan announcing that the insurance proposal has been complied with and all members were now entitled to this insurance.

Most Loyal Gander W. G. McCoy conducted the initiation ceremonies. The goslings were W. R. Bagby, H. J. Conrad, T. E. Cooper, M. G. Elikns, Harry T. Hyam, W. E. Keener, Ned C. Rankin, J. K. Snodgrass and D. F. Wright.

### Breckenridge Improves Protection

Breckenridge, Tex., has just completed the installation of an emergency unit at the Breckenridge Water Company's pump station, which will give the city double fire protection. The old pumps were oil burners while the new one is electric and has a capacity of 1,000 gallons per minute. It is interchangeable with the old pumps and can be switched on in a moment's time in event of fire. To further add to its fire protection, the city has laid a double line from the station to the network of mains in the city proper so that if one fails, water can be turned into the other instantly.

### Protest Oklahoma Appointments

OKLAHOMA CITY, June 27.—Interest of the local board is centered on an agency recently planted by the Northwestern National with the Metropolitan Building & Loan Association of this city, said to be connected with the Tradesmen's National Bank, and one given by the New England Fire to M. M. Gauber, who makes headquarters at a local clothing store. The planting of these agencies has been protested by



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The following are recommended as among the prominent and reliable agencies with good facilities for exchange and outside business.

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Unexcelled Insurance Facilities  
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Representing Leading Companies Only

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Representing Seventeen Strong  
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Promptly Handled  
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INSURANCE  
Established 1886  
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**MURPHY & O'BRIEN**  
INSURANCE UNDERWRITERS  
Tenth Floor, Donovan Building  
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"Insures Anything Insurable"  
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CINCINNATI  
Submit Your Propositions to Us

## VIRGINIA

Established 1880  
**JAS. T. CATLIN & SON CO.**  
INCORPORATED  
Insurance  
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Insurance Exchange Building  
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Established 1875  
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INSURANCE  
201-202-203-204 Union Bldg.  
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Experienced and Expert Attention to  
Brokered Lines. All Leading Companies.

**S. E. MOISANT CO., Inc.**  
Largest Agency in Kankakee Co.  
164 No. Schuyler Ave.  
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**MISSOURI**  
**COMMONWEALTH INSURANCE  
AGENCY**  
ST. LOUIS, MISSOURI

**THE C. F. MEDARIS CO.**  
Loans - Insurance  
Surety Bonds  
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FOUNDED 1876  
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INSURANCE and BONDS  
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Engineering Services and Underwriting  
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TRUST COMPANY**  
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Complete facilities for handling all lines of  
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Underwriters in All Branches  
Thoroughly Trained Engineers  
Representing the Largest Leading Companies  
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INSURANCE  
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Rooms 508-9-10 Board of Trade Bldg.  
Wheeling, W. Va.  
Ohio, Pennsylvania and West Va.  
Business Solicited

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**Lawton-Byrne-Bruner**  
INSURANCE  
Saint Louis

## OKLAHOMA

**THE T. E. BRANIFF  
COMPANY**  
Insurance Specialists  
Oklahoma City, Oklahoma

**LEE C. PAULL**  
INSURANCE  
Wheeling, W. Va.  
Engineering Dept. Brokerage Dept.  
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**Boynton Brothers & Co.**  
Ernest H. Boynton, President  
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87 Smith Street  
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TULSA, OKLA.

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Engineering Service—All Lines  
The largest insurance agency in the  
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Eureka Security F. & M. Ins. Co.  
Merchants Fire Ins. Co. of Denver  
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United States Merchants and Shippers  
DRAWER 1900 TULSA, OKLA.

**Carpenter & Rowland**  
612 Main St. RACINE, WIS.

the association and referred to committees for investigation.

The association has issued invitations to officials of the three Oklahoma City fire companies to address a meeting at their early convenience, and explain their plans for operation, whether they expect to operate Bureau, Union or non-affiliated, and their system of planting agencies. The companies are the Prudential, headed by T. E. Braniff, the American Standard, headed by R. M. Eacock, and the Globe, headed by Ed Semans.

#### Send Out Specific Schedules

AUSTIN, TEX., June 27.—The Texas department this week mailed out specific schedules of rates for the following towns, with no change in key rates: Bellevue, Byers, Charlie, China, Dainfield, Desdemona, Gladewater, Goodlet, Oglesby, Saratoga and Stowell.

#### Texas Firemen Go to School

A distinct departure from Texas Firemen's Association programs of the past was brought about at the annual convention at Denton, when a three-days school of instruction in fire department and fire prevention work was conducted by L. L. Wolf of Cincinnati, J. E. Taplin, fire chief of Blackwell, Okla.; T. M. Campbell Jr., Texas fire insurance commissioner, and S. W. English, manager of the Texas Inspection Bureau. About 1000 representatives of fire departments throughout the state were present, and association officials have been favorably impressed with the work that it is probable future meetings will be given over largely to it.

Miss Olga Juniger, representing the state fire marshal in public school activities, exhibited a large and interesting display of posters made by Texas school children, and gave instructions to fire chiefs and fire marshals as to their part in fire prevention work in the schools. J. A. Caldwell, fire chief of Teague, was elected president; Olin Culbertson, county judge of Hill county, was named executive secretary again, and the next convention is to be held in Galveston.

#### Sue Gas Company for Loss

LITTLE ROCK, ARK., June 27.—The American and Firemen's of Newark, which paid \$700 to Dr. G. W. Hayman when his building here was destroyed by fire, have joined him in a suit filed in chancery court to compel the Little Rock Gas & Fuel Company to meet the loss. It was declared the company's employees disconnected the gas in the Hayman place, failed to tighten the connections properly and allowed gas to escape, so that when a match was struck by a worker, the gas ignited.

#### Hendrix College Building Burns

CONWAY, ARK., June 27.—The administration building at Hendrix College was destroyed by fire last week. Loss is estimated at about \$150,000, covered by \$75,000 insurance on the building and \$12,500 on furnishings. Nearby buildings on the campus were saved by hard work on the part of firemen.

Fire originated in a storeroom of the chemical laboratory on the third floor, and quickly spread throughout the building. Numerous records were lost.

#### Prater in Field for Home

General Agent D. D. McLarry of the Home fleet at Dallas announces the appointment of Albert Prater as special agent for northwest Texas to succeed J. U. Biggers, resigned. Mr. Prater attended Texas University at Austin and later was on the staff of the State Insurance Board for three years. For the past year he has been connected with J. W. Lindsley & Co., local agents of Dallas.

Mr. Biggers enters the local agency ranks at Lubbock, Tex., having purchased a half interest in the agency of D. K. Bondurant & Co.

#### Tulsa Firemen Need More Money

TULSA, OKLA., June 22.—Tulsa needs an appropriation of \$42,000 more for the fire department for the coming fiscal year in order to advance from a fourth to a third rate city, according to Fire Chief Pitts. Unless something is done about this, Tulsa may fall back into fifth place.

Last year's appropriation was \$282,567. The greatest item of difference is

in the salary group. This year, due to the salary increase voted for the firemen at the city primary in March, \$381,075 will be needed, as compared with \$254,667 last year.

#### Houston Agency Change

HOUSTON, TEX., June 27.—The insurance firm of Northern, Laren & Houseman has announced the addition to the firm of Hal Houseman, Jr. Mr. Houseman has been in the insurance business in Houston for the past eight years. The firm of Northern & Larsen was a pioneer Galveston agency. The Houston office will be in charge of Mr. Houseman.

#### Tornado Hits West Texas

For the second time within a month a tornado swept through west Texas last week, doing damage to buildings and crops of hundreds of thousands of dollars. More than 25,000 acres of cotton and grain were entirely ruined. Vernon, Lamesa and Brownwood were the scenes of greatest havoc.

#### Tornado Razes Fifty Buildings

HARRISON, ARK., June 27.—A tornado struck Pyatt, 20 miles northeast of Harrison, destroying practically every building in the town. About 50 buildings were destroyed.

#### Texas Notes

Serious fires in Waco, Mineola, Nacogdoches, Decatur, Gatesville and railroad properties at Corsicana and Smithville resulted in loss of more than \$60,000.

The Sheldon Hotel at El Paso, Tex., suffered more than \$30,000 damage by fire which routed all occupants and did considerable water damage to stocks on the first floor.

Ben C. Richards, long-time insurance man of Dallas, narrowly escaped with his life when his home was destroyed by fire with loss of \$6,000. Mr. Richards, asleep on a sleeping porch, was awak-

ened when the family cat jumped on his bed. Other members of the family were out of town.

#### Oklahoma Notes

A. L. Roark, secretary of the Oklahoma Insurance Board, has returned from a pleasure trip to Texas.

J. W. Holmes, Carnegie, Okla., is a new agent for the North British & Mercantile and Occidental Underwriters.

The G. A. Callaway store at Wagoner, Okla., was destroyed by fire. Insurance of \$10,000 was carried on the building and \$4,000 on the stock.

A casualty department has been opened in Oklahoma City by the Ellis, Nicholson & Cramer agency, with Leonard Meder in charge.

Miss Julietta Seltz, daughter of H. C. Seltz, was married to J. E. Downing of Tulsa June 23 at the bride's home in Oklahoma City. Mr. Seltz is state agent for the American Central.

J. K. Lesch, manager of the western farm department of the Home of New York, has been in Oklahoma City assisting in adjusting losses sustained in the recent storms in the state.

The W. A. Kelly dry goods store, J. D. Fitzgerald drug store and several smaller structures at Ripley, Okla., burned last week with loss estimated to be \$15,000, partly covered by insurance.

The tipple of the Samples Mining Company just northwest of McAlester, Okla., was destroyed by fire with loss of \$25,000 and insurance of \$7,000 carried. The old tipple will be replaced immediately by one of steel and concrete construction.

M. E. Williams of Muskogee, president of the Oklahoma Insurers, was in Oklahoma City Saturday conferring with Arthur Head, president of the local board, on plans for the state convention, scheduled for Oklahoma City some time in October. Definite date for the convention has not been announced.

Arkansas pond of the Blue Goose, which was to have held its annual summer splash on June 23, canceled the splash for this year.

## IN THE SOUTHERN STATES

### ADJUSTMENT MANAGER TALKS

#### Agent Ofttimes Takes Part of Insured and Creates Ill Feeling Against Adjuster

In an address to the Georgia Association of Insurance Agents at the meeting at Tybee Island last week, E. P. Roberts, general manager of the Southern Adjustment Bureau, spoke on adjustments and how the agent can co-operate in making them. Mr. Roberts said the primary business of the agent is to get business. He inspects the risk, writes the policy, collects the premium and remits it to the company.

In case of a loss, he sends information which he thinks will be of interest, to the company. There his duty ends and there his activity should terminate, according to Mr. Roberts. Generally the agent becomes a representative of the claimant and encourages the latter in thinking that he is not getting a square deal.

A good company will not tolerate a dishonest adjuster. Thus, said Mr. Roberts, an agent should impress upon a claimant that his company is honest and the fact that the adjuster is employed by it, is a guarantee that the claimant will get everything to which he is entitled.

#### Competition Outstanding Evil

Mr. Roberts labeled competition as the outstanding evil in adjustment work. He said that the quick adjustment is not usually satisfactory.

"The agent and adjuster should work hand in hand," said Mr. Roberts. "Certainly the interest of each is the same. Naturally the company has a tender feeling for the agent because he is a producer. Its affection for the adjuster should be just as great, as the success of the company after the premium has been received depends in a large measure on whether its losses are carefully or carelessly adjusted."

### TO HOLD RATE INVESTIGATION

#### Virginia Corporation Commission to Start Inquiry on July 24 on Rate Schedules

RICHMOND, VA., June 27.—Full investigation of fire and kindred rates in Virginia is to be made by the corporation commission. The inquiry will start July 24. The commission will first investigate charges for insurance against loss or damage by fire or lightning. Later there will be an investigation of rates on other classes of insurance written by the same companies.

The inquiry will affect rates now being charged under temporary permit of the commission which were in effect prior to June 17 when a new law gave the commission full control over rates. Any schedules filed on or after June 18 will also come under the probe. This will include the schedule filed by the stock companies last week proposing a 25 percent increase for full value insurance and 25 to 300 percent advance in rates for policies without the coin-surance clause.

The commission will also decide whether territorial classifications shall be permitted and if they are permitted will decide what territory should be included in each territorial division. For many years Virginia has been divided into five divisional groups, different rates being charged upon the same class of risks, according to the divisions in which the property insured was located.

#### Windstorm Losses in Virginia

RICHMOND, VA., June 27.—A severe windstorm swept over the central portion of Virginia last week, blowing down trees and unroofing dwellings, barns and outhouses in some sections along its path. Insurance men who write this class of insurance report that they have had but few claims as a result of the storm. Virginia property owners, they say, have yet to be educated up to the idea that windstorm cover is a neces-

sary form of protection. Several Richmond agents undertook to capitalize the event by coming out with newspaper ads the morning after the storm pointing out the need of this type of cover. The ads, they report, have brought in some returns in the way of new business. In Prince William county, a barn was struck by lightning and burned. The Firemen's Fund was on this risk.

#### Will Discuss Adjusting Methods

RICHMOND, VA., June 27.—There will be further discussion of the method of adjusting losses when there is non-concurrent insurance at the next quarterly meeting of the Fire Insurance Field Club of Virginia July 10 at Norfolk. The executive committee will meet at noon the same day. Dan L. Coulbourn, state agent for the National of Hartford, is president of the club.

#### Kentucky Arson Convictions

FRANKFORT, KY., June 27.—George Keenon, deputy auditor in charge of the department of fire prevention and rates, announces two arson convictions. John U. Penney was convicted in the Anderson circuit court and sent to the reform school for seven years. He was apparently a pyromaniac. He was responsible for starting three fires in March.

Herman Schwartz and Ruby Chazanow were convicted in the Davies circuit court and given two years each in the state penitentiary. They were doing business in Owensboro as the Herman Clothing Company. The stock of merchandise and fixtures were insured for \$8,000. A careful inventory made by reliable merchants of Owensboro showed the value of stock and fixtures to be \$2,597.

The department further reports that 41 indictments are pending in various courts, which should result in a large number of convictions.

#### Rating Tusculumbia, Ala.

BIRMINGHAM, ALA., June 27.—Mayor Gregory of Tusculumbia, Ala., has been advised by Superintendent Thigpen that the Alabama Inspection & Rating Bureau will proceed with the work of rating Tusculumbia, with the view of giving that city a lower fire insurance rate than it has at the present time.

According to Mayor Gregory, provision necessary for obtaining a second class rating for Tusculumbia has been put into effect, and the city is now awaiting formal approval by the inspection bureau.

#### New Agents' Registration Plan

RICHMOND, VA., June 27.—Under a new Virginia law, registration of insurance agents comes under the supervision of the state corporation commission. The duty of registering agents has been delegated to the commissioner of insurance.

Commissioner Button is sending out notices to companies stating that effective July 15, a new form of certificate of registration, modeled after the uniform blank suggested by a committee of insurance companies and presented to the national convention, will be used. The blanks for this purpose are being printed, but it will be impossible to send out the blanks to the companies until after the first week in July. Companies are urged to complete and return the new applications at their earliest convenience after receiving the blanks.

#### McKown Called to St. Paul

RICHMOND, VA., June 27.—Paul F. McKown, Virginia special agent for the St. Paul Fire & Marine, with Richmond headquarters, has been called to St. Paul by the illness of Mrs. McKown. He was accompanied by his father, J. C. McKown, secretary of the St. Paul, who was returning home after attending the Richmond meeting for reorganization of the Virginia inspection and rating bureau.

#### Fort Lauderdale Gets Reduction

FORT LAUDERDALE, FLA., June 27.—Fort Lauderdale has been given a first class rating. For two years city officials and insurance men have been working toward this end. Installation of a modern water distributing and pumping system, 750 fire hydrants and a Gamewell fire alarm system with 60 boxes, together with a new building code similar to that adopted in larger cities, contributed to the new rating.

Fort Lauderdale is one of the few



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Offices: Oklahoma City, Oklahoma; Tulsa,  
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Especially Qualified From Experience to  
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Adjusters for Companies Only  
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517 Insurance Bldg., Oklahoma City, Okla.  
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Send Claim Files to 914 S. W. L. Bldg.,  
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Independent Adjusters  
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Ten Years at Same Location  
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DES MOINES

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**THE FULLER ADJUSTMENT COMPANY**  
Prompt Adjustment Services  
Provided in Oklahoma  
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Oklahoma City Tulsa, Okla.  
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Guy H. Fuller, Mgr. L. M. Hallock, Mgr.

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The most Satisfactory Life Contract Available is that of the Columbus Mutual—the Company which 20 years ago Eliminated Middlemen and Diverted the Huge Expense of their Maintenance into Savings for Policyholders and Agents. Its System makes possible Low Cost Insurance, Generous Commissions, and VESTED Renewals. There are No Restrictions in Territory. Each Contract is a Direct Home Office Contract—no Intermediaries between. The Agency that Produces gets ALL the Commissions.

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Automobile Insurance—Full Coverage—All in One Policy  
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Agents wanted in Ohio, Missouri, Kentucky, Michigan, Tennessee, Kansas, Indiana, Alabama and Florida.

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### Agency Holds Outing

The Steckler-Wagner Agency of New Orleans held an all-day outing recently. The party took a steamer to Mandeville and spent the day engaged in various games and sports. On the return trip on the steamer the guests danced.

### Woman's Auxiliary Picnic

The Woman's Insurance Auxiliary of Nashville, which is composed of women members of families of field men, is announcing the annual picnic at Perry's Park, July 2. There will be dinner in the evening. Mrs. Charles F. McLaughlin, wife of the branch manager of the Tennessee Inspection Bureau at Nashville, is chairman of the auxiliary. The picnic committee consists of Mrs. Charles Zehnder, Mrs. R. W. Davis, Mrs. W. P. Rankin, Mrs. John A. McCampbell and Mrs. McLaughlin.

### Windstorm in Eastern Kentucky

A high windstorm and cloudburst in the eastern Kentucky mountains did considerable damage about Irvine and Ravenna, Ky., on June 21, the steeple blowing from the court house, while the roof was blown from the Haggard Lumber Company and Drake Lumber Company plants and the garage of Ben Miller in West Irvine was blown from its foundations into a field and wrecked.

The town was flooded with water, causing considerable merchandise damage.

### Virginia Notes

The Occidental of San Francisco, running mate of the Fireman's Fund, has been licensed in Virginia. George McG. Goodridge, state agent for the Fireman's Fund, will represent the Occidental in similar capacity.

Hugh M. Witt, Virginia special agent for the North America, with Richmond headquarters, and Miss Aline Parker of Durham, N. C., were married in Washington, D. C., last week. The wedding was in the nature of a surprise, Mr. Witt failing to let any of his fellow field men in on the secret until after the knot had been tied.

### Kentucky Notes

Fire at Scottsville, Ky., destroyed the Scottsville cafe and badly damaged the Roscoe Haines grocery. The loss was estimated at \$12,000 to \$15,000.

The Public Fire, which recently entered Kentucky, has established a field office at 1249 Starks building, Louisville, with R. M. Hall in charge as state agent for Kentucky.

Thomas Hoffman of Mt. Sterling, Ky., one of the most widely known insurance men in Kentucky, connected with the Hoffman Insurance Agency of that city, narrowly escaped being drowned when the automobile in which he was riding with Judge Henry R. Prewitt was swept off a ford. The only thing that saved them was the fact that the car was caught by a water gap, and the men were able to crawl out.

## COAST AND MOUNTAIN FIELD

### MONTANA LEADERS ARE GIVEN

Premiums in the State Last Year Were  
\$5,026,410 With Loss Ratio of  
46.7 Percent

The stock and mutual companies last year received in premiums in Montana \$5,026,410 and incurred losses \$2,351,008, making loss ratio 46.7 percent. The state leaders or those having more than \$50,000 in premiums are as follows:

	Premiums	Losses	Ratio
Rocky Mountain	\$197,909	\$67,234	34
Aetna	132,306	51,567	39.5
Continental	258,462	118,082	45.7
Franklin	100,587	44,322	44.1
Fireman's Fund	64,907	101,063	61.3
Fidelity-Phoenix	174,534	97,012	55.6
General Exchange	57,387	19,919	34.7
Globe & Rutgers	105,812	49,157	46.5
Great American	87,998	37,448	42.6
Hartford	141,372	72,888	51.2
Home, N. Y.	411,280	223,270	53.3
Ins. Co. of N. A.	146,388	76,405	52.2
National, Ct.	56,719	55,139	97.2
National Union	72,853	53,283	73.1
North'n F. & M.	62,296	45,574	73.2
Northwestern Nat.	51,581	12,903	25
Phoenix, Ct.	74,459	26,415	35.5
Queen	50,444	24,431	28.4
Springfield	120,010	48,645	40.5
St. Paul	64,192	13,025	20.3
Twin City	53,360	33,787	63.3
Westchester	75,702	39,084	51.6
Phoenix, Eng.	53,494	20,603	38.5

### Single Interest Earthquake Form

SAN FRANCISCO, June 27.—Fire companies are to consider this week a new single interest earthquake insurance clause which some managers, who have already studied its provisions, feel will bring about a better situation on earthquake coverage in California. Companies report that the new rate schedule approved in May by the Pacific Board has not as yet brought about the expected results.

### Plan California Insurance Day

An "Insurance Day" will be celebrated at the State Fair in Sacramento, Cal., in September, according to plans now being completed by the Sacramento Association of Life Underwriters. In requesting the participation of other life underwriters in the state, N. J. Goldsmith, president of the Sacramento association, says the state fair officials have agreed to the plan and are now cooperating to make the affair a success. The Sacramento Insurance Exchange, composed of fire and casualty agents, has also joined in the movement. A definite

date has not yet been set but it will be between Sept. 1 and 8.

### Big Loss at Hanford, Cal.

Hanford Cal., experienced one of the most disastrous fires in its history last Sunday when a blaze starting in the Emporium, one of the largest buildings in the city, completely destroyed that structure and spread to the Kings hotel building and First National Bank building across the street, causing a loss estimated at \$250,000. The largest single loss was that of the Kutner-Goldstein stock of merchandise located on the first floor of the Emporium and reported as covered by fire insurance amounting to \$125,000, the firm also carrying profits insurance of \$78,000.

### Managers Visit Northwest

SAN FRANCISCO, June 27.—The Pacific northwest territory has attracted a number of the fire company managers from their headquarters in San Francisco in the past two weeks, with particular attention paid to the state of Washington where the situation has been growing more perplexing almost daily. Among those who were in Seattle last week were A. T. Bailey of the North British & Mercantile, who met Sir Arthur Worley and other dignitaries from the company's head office; Fred H. Rhoads of the Aetna, Frank L. Hunter of the Norwich Union, Edwin Parrish of the Niagara and H. R. Burke of the Royal. In the North British party was also Cecil Shalleross, United States manager.

Apparently all attempts to bring about some stability in the Washington fire insurance situation have failed and the conditions are as bad as ever; in the minds of several managers, worse.

### Ruling on B. & L. Certificates

Insurance companies in California cannot invest their qualifying capital in paid certificates of building and loan associations regardless of the fact that these securities were made legal investments for insurance companies at the last legislature. They can, however, purchase these certificates as an investment aside from their capital requirements, according to an opinion rendered to Insurance Commissioner C. R. Detrick by the attorney general.

### Ahmanson on Coast Trip

LOS ANGELES, June 27.—Hayden W. Ahmanson, secretary of the National American Fire of Omaha, visited Los Angeles last week on a trip to California which combined business with pleasure, coming directly from San Antonio where he attended the annual convention of the National Junior Chamber of Com-



merce. After several days in southern California, Mr. Ahmanson continued his journey to San Francisco, from which city he expected to return directly to Omaha.

### Victory With Elwell & Co.

Elwell & Co., Seattle general agents, will in addition to other companies now act in similar capacity for the Victory for the state of Washington.

### Coast Notes

The Metropolitan Fire has been admitted to membership in the Pacific Board with Ward S. Jackson as general agent.

Harry F. Badger, secretary of the Pacific Board, has returned from Ithaca, N. Y., where he attended a reunion of the graduating class of Cornell of 25 years ago.

M. Jevaho Tocaxe, Rumanian importer, must stand trial on charges of arson and burning insured property in connection with the fire and explosion that wrecked the Russian Eagle Cafe in Hollywood June 6. A few days before the fire Tocaxe insured his store for \$10,000, although he had been informed by an-

other insurance office that his stock was not worth more than \$1,500.

Harry L. Simpson, Pacific Coast manager of the Connecticut, Westchester and Virginia Fire & Marine, and Clifford Conly, Pacific Coast manager of the Phoenix of Hartford and Great American, left San Francisco Saturday for Hartford.

Thomas McCaughern, secretary of District "A" of the Pacific Board, is en route to Paris to meet Mrs. McCaughern, who has completed a trip around the world. Before returning to San Francisco Mr. and Mrs. McCaughern will spend some time touring Europe.

Fire of undetermined origin practically destroyed the plant of the Diamond Hardwood Flooring Company at Los Angeles. The blaze spread to the Hicks lath manufacturing plant and the McStadden food manufacturing plant. Damage was tentatively placed at \$125,000.

James E. MacMaster of Allan-MacMaster agency at Los Angeles, who was injured in an automobile accident three weeks ago, died last week. Following the accident his condition had not been considered serious, attending physicians stating that no permanent injuries were apparent.

Manley is president; W. Albert Tregoe, vice-president; Verna H. Tregoe, secretary; Rhoe B. Henderson, treasurer.

Mr. Manley has been engaged in insurance business as an individual in Jamestown for the past seven years.

## IN THE CANADIAN FIELD

### VACANCY CLAUSE IS UPHELD

Court Holds That Policy Wording Controls and Statutory Condition at Variance Has No Effect

TORONTO, June 27.—The controversy over the vacancy permit, threshed out in a recent test case, which the Toronto Casualty took to court, resulted in a verdict for the company. The case arose over the fact that the property burned had been vacant for 28 days, and the company was given the verdict by an appeal court. The company, however, paid the assured's claim of \$200 and his costs of the action as evidence of good faith that the case was only pressed to clear up an apparent anomaly in the provincial insurance legislation.

As soon as a property became vacant, the insurance company ceased to be liable, according to a specified clause embodied in the contract. This clause could be modified by a vacancy permit arranged between the company and the assured, which would throw the loss on the company in case of temporary vacancy. In 1924 a new law came into effect in Ontario, which created new statutory conditions applying to all contracts of insurance, irrespective of the details of the policy contract. One of these conditions states that when the property remains vacant or unoccupied for more than 30 days, the company shall not be liable for loss by fire. Thus the condition in the policy and that in the statutory condition were at variance.

This test case resulted in the court finding the company not liable even though the property had only been vacant 28 days. In other words the statutory condition had no effect in this case, the argument being that the clause, "only when occupied as a private dwelling," is not a condition of the policy, but merely a description of the property.

### Recent Canadian Losses

The Polytechnic School, a section of the University of Montreal, was practically destroyed by fire June 20, with an estimated loss of about \$100,000.

Bradley's skating rink at Oshawa, Ont., and six frame houses were destroyed by a fire of unknown origin. The estimated loss is put at about \$100,000.

Fire at the Redden building, Sydney, N. S., caused a loss estimated at \$42,500. The building contained several stores, as well as living rooms above. The loss was partly covered by insurance.

The Terminal Hotel at Lewiston, Ont., owned by the Canadian Steamship lines, was destroyed by fire, with a loss estimated at \$50,000.

### Universal Enters British Columbia

The Universal of Newark has been licensed for fire insurance in British Columbia.

lumbia and admitted to membership in the British Columbia Fire Underwriters Association. A. C. McBride is branch manager for British Columbia.

### General Agency Appointments

McKerlie & Edwards of Regina have been appointed general agents for the province of Saskatchewan of the North River, succeeding the Indemnity Agencies.

Trotter & Co. of Saskatoon have been appointed general agents for the province of Saskatchewan of the Planet Assurance.

Frank R. Logan & Co. of Regina have been appointed general agents for the Province of Saskatchewan of the Patriotic Assurance.

### Cooperate in Fire Prevention Work

WINNIPEG, June 27.—At a meeting of the Winnipeg Public Safety Committee it was decided to cooperate with the provincial government in an endeavor to outline responsibility in connection with fire prevention and fire inspection work in the city, and it is very probable that the government will appoint representatives to sit on a joint committee to deal with these problems.

### Hail Damage in Saskatchewan

WINNIPEG, July 27.—Heavy damage was done by hail in southern Saskatchewan last week around Indian Head, the estimated loss varying from 10 percent to 80 percent. Fall rye was the chief crop to suffer. The storm is the second this season. Many claims have been received by insurance offices for adjustment.

### Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending June 13 are estimated at \$335,800, as compared with \$505,100 for the corresponding week of 1927. Fire losses from Jan. 1 to June 13 are estimated at \$9,603,900, as compared with \$3,008,950 for the period from Jan. 1 to June 15, 1927.

### Canadian Notes

The Connecticut Fire, Equitable Fire & Marine and Phoenix of Hartford have been licensed in Canada for inland transportation insurance.

Edward McGrath, provincial fire commissioner for Manitoba, has left for a visit to Montreal and Ottawa, and before returning will pay a visit to Great Britain.

E. C. Jahour & Co. agency, Vancouver, B. C., has consolidated with Bell & Mitchell. Among the companies represented are the L. & L. G. Canada Security, American Central, Canada National and Pioneer.

J. H. Riddell of Toronto, Canadian manager of the British Crown and allied group, of Toronto, has sailed for England. During his tour overseas Mr. Riddell will visit the head office of the Rosia at Copenhagen.

The Hartley Motors garage at Nokomis, Sask., was completely destroyed by fire with all the equipment, six automobiles and a Ford truck loaded with wheat. The loss is estimated at about \$30,000, and there was very little insurance carried.

## NEWS FROM EASTERN FIELD

### MAY AGREE ON PHILADELPHIA

Early Settlement of Differences Between Agents There and E. U. A. Is Now Predicted

Philadelphia, June 27.—Prospects of an early settlement of the differences between the Eastern Underwriters Association and the Association of Fire Insurance Agents of Philadelphia on the new agency agreement appeared bright today following the meeting here on Monday of the association and the scheduled conference in the immediate future of the association's committee of seven and the territorial committee of the E. U. A.

The meeting of the association was called by the committee, which reported the result of last week's five-hour session with the underwriters' committee. Just what happened at last week's meeting is being kept secret. Company officials and agents alike refuse to discuss the matter. They are even shying clear of publicity that in no way concerns the fight, feeling that any publicity whatever may be construed in a wrong light.

However, from all sides comes the statement that "it will soon be over." This fact, coupled with the long session last week and the early call for the association meeting, has tended to the belief that a compromise basis was arrived at last week's conference and that tentative draft of a new agency agreement will be adopted at the next meeting of the two committees.

### EASTERN DEPARTMENT MEN IN CONFERENCE

The Ohio Farmers was host to the supervisory staff of its eastern department this week when nine members of E. K. Schultz & Co., Philadelphia general agency, went to LeRoy, O., for the annual visit.

Those in the party included Tom Anderson, agency superintendent; Lloyd Schultz; L. A. Evans, manager automobile department; N. R. Bechtel, chief accountant, and Special Agents Harry W. Berberich, Pittsburgh; James L. Youmans and W. Raymond McVaugh, Philadelphia; A. I. Richardson, Boston, and W. M. Wakeman, Jr., Syracuse.

A conference was held at which all problems arising in the conduct of the eastern business of the Ohio Farmers were considered.

### Will Work in Pennsylvania

C. H. Doscher, field secretary of the National Association of Insurance Agents, having newly completed a successful membership campaign in Wis-

consin, will shortly undertake similar work in Pennsylvania. He plans starting about July 15 and will keep aggressively at it for the succeeding six weeks. In his campaign Mr. Doscher will have the active cooperation of "Abe" Galland, a leading agent of Wilkes-Barre, and a former president of its local board. Mr. Galland is chairman of the membership committee of the Pennsylvania Agents Association, and has given unstintingly of his time, talent and money to the upbuilding of the organization. The Pennsylvania association will hold its annual convention at Hazleton, Aug. 23-24.

### Seek Rating Aid at Utica

UTICA, N. Y., June 27.—Retail merchants downtown, inaugurating a campaign against "home dress shops" and "home millinery shops," with the aid of the police department, which charges violation of the zoning law, are trying to invoke the aid also of the New York Fire Rating Organization, by getting increases in rates where commercial enterprises are conducted in residential sections.

### Baltimore Insurance Society Elects

BALTIMORE, June 27.—Daniel H. Hamilton was elected president of the Insurance Society of Baltimore at the annual meeting at Taneytown, Md. Other officers elected were: John G. Reese, first vice-president; Carl F. Gall, second vice-president; R. M. Golder, third vice-president; Edgar H. Donaldson, Jr., secretary-treasurer, and J. V. Brooks, Jr., assistant secretary. Walter Duvall, John G. Rolker and R. W. Neal were elected members of the executive committee.

### Companies Licensed in Maryland

Seven fire companies have been licensed in Maryland. They are the Public Fire of New Jersey, Occidental of California, Mohawk Fire of New York, Queensland of Australia, Brooklyn Fire, Farm Bureau Mutual Auto of Ohio and Merchants & Manufacturers Fire.

### Central Fire Outing

BALTIMORE, June 27.—The annual outing of the employees of the Central Fire was held at Cottage Grove Beach last week with an attendance of approximately 150 persons. Following athletic games a box supper was served and the evening was spent in dancing.

The company is now completing plans for the opening early in October of its new \$1,000,000 building, which is being erected at Holliday and Fayette street.

### Eastern Notes

The Stern Underwriters of Boston has been chartered for the purpose of engaging in the insurance agency and brokerage business. Meyer Stern, president; Samuel Stern, treasurer and clerk, both of Brookline, Mass.

A general insurance agency under the firm name of Henderson & Tregoe has been formed at Jamestown, N. Y. A. B.

## MOTOR INSURANCE NEWS

### OFFERS RIDER FOR TOWING

National Union Fire Will Pay Cost Up to \$10 Resulting From Collision

PITTSBURGH, June 27.—Through the medium of a rider to be attached to such of its automobile policies as do not cover the collision hazard, the National Union Fire of this city is now prepared to assume any expense up to \$10 incurred by the assured for towing, fol-

lowing damage caused through collision.

The endorsement reads:

"In consideration of an additional premium of one dollar, this policy is extended to cover the cost of towing the automobile insured hereunder to its place of repair, due to said automobile being disabled by reason of a collision with another vehicle or object, but excluding upset. It is further understood and agreed that such cost shall not exceed the sum of \$10, and this coverage shall not apply or be construed to include towing resulting from the puncturing or blowing out of tires, or breakdowns or

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"The writer looks forward each month for The Casualty Insurer and have enjoyed immensely some of the articles therein."

GIBSON, MOORE & SUTTON, Inc., Richmond, Va.

disabilities to the mechanism of the car unless such breakdowns or disabilities are due to collision with another object."

It is taken for granted that the feature will be attractive to many car owners who for one reason or another do not carry collision insurance, particularly to those planning trips to sections of the country where well equipped garages are infrequent and where towage in the event of a breakdown would be an expensive proposition. As the standard collision cover provides for towage, of course the special feature put forth by the National Union applies only where the broader indemnity is not in force.

## Theft Bureau Arranged

SAN FRANCISCO, June 27.—The Pacific coast branch of the recently organized National Theft Bureau has been launched by absorbing the bureau of the Pacific Coast Automobile Underwriters Conference. The coast governing board will consist of A. T. Bailey, F. J. Perry, J. R. Mackay, A. M. Brown, Jr., William Deans, C. W. Connell and J. P. Breeden. W. E. Schoppe who has acquired a national reputation as head of the coast theft bureau will continue in charge of activities in this territory.

## May Modify Coast Rates

SAN FRANCISCO, June 27.—Reports are current in San Francisco that automobile rates will probably be modified in the near future as a result of an agitation statewide against the higher levels, which agents claim have simply intensified non-conference and reciprocal competition to a degree that to continue to write automobile insurance they must represent the non-affiliated organizations. The actuarial committee of the automobile conference is considering several plans this week, it is reported.

## Opens New York City Office

The American Automobile of St. Louis has opened a branch office in New York City at 80 Maiden Lane. It will supervise the business in New York and Connecticut. It is in charge of Raymond S. Choate as manager. He recently resigned as secretary of the Phoenix Indemnity to join the American Automobile force. Mr. Choate is well known in the casualty field, starting with the New Amsterdam Casualty and then going with the Globe Indemnity and finally the Phoenix Indemnity. J. R. Quackenbush is head of the New York claim department. For the last 11 years he has been in the claim department of the Travelers, Phoenix Indemnity and recently with the Norwich Union Indemnity.

## Muller With Fireman's Fund

Alfred A. Muller has been appointed chief adjuster in the metropolitan automobile claims department of the Fireman's Fund, Home Fire & Marine and Occidental in New York City. He will also act as special agent of the automobile business in New Jersey. He has recently been with the office of Fred S. James & Co., being head of the automobile department of the Eagle, Star & British Dominions.

## Collision Reversal Embarrasses Agents

INDIANAPOLIS, June 27.—Not many Indiana agents made any effort to push the 50 percent rate cut on automobile collision insurance made a short time

ago, as it was generally believed the cut would not stand. Now that the cut has been rescinded those agents who did seek business at the new rates feel that they have made a ridiculous march up the hill and down again. In some places considerable display advertising was used in the newspapers to announce the cut.

## FREEDY WAGES WAR ON UNLICENSED COMPANIES

(CONTINUED FROM PAGE 3)

the name of the "Catholic Relief Society" to the churches in Wisconsin which buy the insurance. The certificates do not show the name of the issuing company, but indicate the amount of the "donation," the term of the coverage and the name and location of the church.

Some company is thus writing considerable business in Wisconsin without the use of a Wisconsin agent but is instead using an Omaha, Neb., agent not licensed in the state, and not permitted by law to write any business in Wisconsin unless countersigned by a Wisconsin agent. Mr. Freedy cited this as typical of the sort of irregular procedure that he intends to make impossible in Wisconsin. He contends that it should not be permitted in any state.

Mr. Freedy declared that unlicensed companies have been running wild and that agents should wake up to the dangers of representing them. He told of one agent in Wisconsin who had written a number of target risks in some unauthorized companies. For a time the agent did a land office business. Then the losses commenced to pour in. The wild cat companies would not pay. The agent was sued by some of his assureds. He could not get any help from the insurance department, which had no supervision. Finally he had to pay the losses out of his own pocket, and as a final blow, the two per cent tax on the premiums that these companies had written in Wisconsin.

## PLAN IS NOW ASSURED

KANSAS CITY, June 27.—E. D. Marr of the New York Underwriters, chairman of the life insurance committee of the grand nest of the Blue Goose, announced this week that a sufficient number of members had signed up for the group life insurance plan to put it into effect. All members who sign before July 15 can have their certificates dated as of July 1. No certificates will be issued after July 15, until Oct. 1. The average age is over 45, so the cost will be \$10.50 a thousand for all members. The master policy was signed June 19 with the American National of Galveston.

## Has Aviation Insurance Window

The distinction of having the first insurance window in the United States with the words "Aviation Insurance" displayed as part of the window sign is claimed by the local department of the Independence Fire, located at 325 Walnut street, Philadelphia.


At present the window is "dressed" with an aviation display including a picture of Col. Charles A. Lindbergh, who carried insurance in the Independence companies on all of his good-will flights, save only for his transoceanic hop.

## WINZER & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

SPECIALIZING IN  
INSURANCE ACCOUNTING

29 South La Salle Street  
CHICAGO



## IT ALL HELPS!

June is accident month for Standard agents. They are selling the Special Auto Accident Policy.

Standard  
Service  
Satisfies

It is easy for *Standard* agents to sell the Special Auto Accident Policy because once their prospects know about it, they usually buy it. ¶ *Standard* agents are letting their prospects know

about it through direct mail campaigns, newspaper ads, model sales letters, and many other services furnished them, without cost, by *Standard's* up-to-the-minute advertising department.

¶ Their prospects buy it because it is the

broadest accident policy in the world for the money. It covers all accidents and pays double benefits for injuries which are

the result of accidents involving an automobile.

¶ If you wish to see samples of our advertising produced to help agents sell the Special Auto Accident Policy, write or send the coupon.

# STANDARD ACCIDENT INSURANCE COMPANY

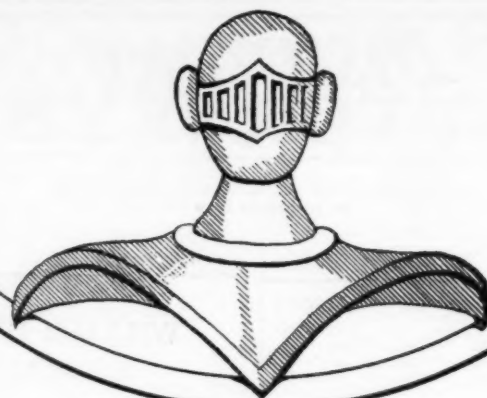
Home Office ~ DETROIT

Advertising Department,  
Standard Accident Insurance Co., Detroit, Mich.

Please send me samples of your advertising produced to help Standard agents sell the Special Auto Accident Policy.

Name \_\_\_\_\_

Address \_\_\_\_\_



## Make Your Reputation Pay BIGGER DIVIDENDS

To your clients you are THE Insurance Man. Are you making full use of this reputation?

Not unless you are representing a multiple line casualty like the Southern Surety.

Every client of yours has definite casualty insurance requirements. A most satisfactory increase in your premium income will result from a presentation of these coverages to your clientele.

In making your choice of Casualty Company to represent bear in mind that it is the character of the service rendered that in the long run determines the attractiveness of the connection. Southern Surety's reputation is suggestive of the type of service it renders. Write for full agency details.

## SOUTHERN SURETY COMPANY

HOME OFFICE  
DES MOINES, IOWA

C. S. COBB, President



# The National Underwriter

June 28, 1928

CASUALTY AND SURETY SECTION

Page Fifty-five

## REVIEWS COMPULSORY LIABILITY SITUATION

**John W. Downs Relates Effect of Massachusetts Automobile Law**

## PUBLIC APPROVES OF LAW

**Outcome of Complications Can Only Be Solved With Time, Says Federation Man**

John W. Downs, manager of the Insurance Federation of Massachusetts, told the New England Associations of Insurance Agents at their Poland Springs meeting about the compulsory automobile liability situation in Massachusetts. Mr. Downs' address in part follows:

"The Massachusetts legislature is very proud of the passage of the compulsory automobile liability security act, which is evidenced by the fact that it is practically impossible to amend this law, even where it should be amended, unless this amendment is sponsored by the insurance commissioner. The legislators are watching the experiment with a great deal of interest, and unless it is administered with the utmost dispatch and fairness by the insurance companies they will again step in and deprive the companies and agents of the right to continue in this business. We must always remember that the legislature deals with this subject as a whole.

"They were told by former Registrar Goodwin that the automobile owners in Massachusetts have to pay \$61,000,000 a year for protection and the loss paid by the insurance companies according to the return filed in the insurance department is \$25,000,000; and the difference, \$35,000,000, is profit. We estimate that the automobile owners in Massachusetts pay \$18,000,000 in premiums for this protection.

### Delegated Power to Commissioner

"In the original draft of this law it stated that the total acquisition cost to be expended to secure this business would be 10 percent of the premium charged by the insurance companies. Later that clause was struck out and the rate-making provision was submitted, delegating to the insurance commissioner the responsibility of seeing that the rates charged by the insurance companies were adequate, just, reasonable and nondiscriminatory.

"I do not need to call to your attention the fact that 17.2 percent of \$18,000,000, something over \$3,000,000, the amount of agents' and brokers' commission, is quite a sizeable amount of money for the acquisition cost of a business that is made mandatory by law.

### Public Approves Law

"The attitude of the general public is that this law is a good thing, and that nobody should be given a license to operate a dangerous instrumentality

## SOUNDS MEMBER CLUBS ON COMPULSORY PLAN

## WANTS TO GET SENTIMENT

**American Automobile Association Will Have Report Made at Its Annual Meeting This Week**

CINCINNATI, June 27.—The annual meeting of the American Automobile Association will be held in this city Thursday and Friday of this week. Much interest is always taken in the annual gatherings of this organization. Recently its management sent out a questionnaire to all member clubs asking their impression as to the feasibility of compulsory automobile liability insurance. The parent association has been opposed to compulsory insurance and has taken an active part in defeating such measures whenever they showed their head during the last two years. It believes that the results under the Massachusetts compulsory act are convincing that its position has been right. It believes in a stricter driver's license law. The American Automobile Association however desired to get an expression from various parts of the country as to how the clubs feel on this particular measure. The answers have been assembled and will be presented at the meeting this week.

upon the highways of our commonwealth unless he is financially able to pay for the damage that he does as a result of his negligence. And the public sentiment is so strong that it would be impossible to wipe it off our statute books today.

"The majority of the motor vehicle owners feel that the law is a good thing, and they are perfectly willing to abide by the decisions of the rate-making power and the rules and regulations laid down by the legislature. But there is a disgruntled minority who feel that the rates are too high, and the classification of districts wrong, and that the insurance companies are making altogether too much money out of this transaction. You will also find some who would kick no matter what price was charged for insurance so long as they were forced to buy it. They almost universally believe that the other automobile owner should carry insurance to pay his damage, but they feel justified in devising various ways to get out of paying their own premium.

### Law Being Violated

"When the statement is made that this law has accomplished its purpose—that it has made every Massachusetts automobile owner who operates his car on the highways of Massachusetts financially responsible up to \$5,000—it is not wholly true. It was stated, before the committee on insurance this spring by the then registrar of motor vehicles, Frank A. Goodwin, that his department estimated there were 2,000 automobiles being operated on the highways of Massachusetts illegally and with no insurance. Owners of such cars are enabled to do this by giving a fictitious address when they apply for insurance on their registration application. They pay as

## NEW PLANS FOR SOUTHERN SURETY ARE APPROVED

## GIVEN STOCKHOLDERS' O. K.

**Further Details of Alliance With Missouri State Life to Be Taken Up at Meeting July 3**

DES MOINES, June 27.—At the meeting of the stockholders of the Southern Surety the issues involved in the call sent out by Secretary E. G. Davis were unanimously confirmed.

This included the approval of a contract with Caldwell & Co., under date of April 24, providing for the reinsurance of the policies and bonds of the company in the Southern Surety Company of New York, which will have a capitalization of 250,000 shares valued at \$10 per share, together with all of the business and assets of the concern, except certain assets that are excluded under the stipulation made.

Other contingencies, six in number, that were set out in the call were approved in conformity to the action of the board of directors.

The stockholders recessed, after confirming the acts stipulated in the call, until July 3, at which time issues concerned in the alliance with the Missouri State Life will be considered.

No action has been taken relative to the probable removal of the general offices of the company from Des Moines to St. Louis.

little down as they can through one of these finance organizations; secure their number plates and then default on their next weekly payment. The finance corporations suffer no loss, because they immediately cancel the insurance policy, and then the registrar's office force is confronted with the task of seeing to it that these number plates are returned in two days before the insurance cancellation becomes effective. And this is apparently impossible in some cases. The law provides a very stiff penalty for anyone convicted of operating a motor vehicle without insurance but nevertheless a great many are getting away with it.

### Accidents Have Increased

"A certain element are taking the attitude that they had to buy this insurance, therefore let the company pay for any damage they do. Accidents have increased alarmingly on the highways for the first five months of 1928, as compared with a similar period for 1927. The Boston police department records for 1928 show that 43 people were killed, and 1,694 injured, while the 1927 records show that 36 people were killed and 1,393 injured. Orders have recently been issued by the superintendent of the police in Boston to enforce the law more severely regarding reckless driving.

"The companies are having their trouble with this law in more than one respect. Under the recent statute passed by this year's legislature, they will have to write a risk that is deemed a proper one by the appeal board and charge a rate promulgated and approved by the

(CONTINUED ON PAGE 64)

## E. M. ALLEN COMMENTS ON SITUATION ABROAD

**National Surety Vice-President Returns from Trip to Europe**

## FEW USE FIDELITY BONDS

**Germany and France Show Marked Recovery—Unemployment Problem Serious in Great Britain**

NEW YORK, June 27.—E. M. Allen, vice-president of the National Surety, is again at his desk after several weeks pleasantly spent in London, Paris and Berlin. While the primary purpose of the trip was to secure a much needed rest, Mr. Allen became greatly interested in general business conditions abroad, and was impressed by the marked recovery by both France and Germany from the effects of the World War.

In both of these countries the people are bending their every energy to build up anew and upon vastly greater lines, their post war industries with considerable success. The bitterness engendered during the war has largely if not totally disappeared and has given place to a desire to create a relationship that shall make for lasting peace. The republican form of government in Germany, in Mr. Allen's opinion, is upon a thoroughly stable basis, and the prospect of a return of the monarchical idea is exceedingly remote. Germans without regard to former political alliances are standing solidly behind President Von Hindenburg and loyally supporting his progressive policies.

The attitude of the French people toward war may be inferred from the wide and favorable publicity given a proposal jocularly put forward by Mr. Allen in the course of an address before a small gathering. He advocated that before considering war again an amendment to the French constitution be made decreeing that no man under 50 years of age be permitted to take up arms, preventing thereby the makers of war from slaughtering the best blood of the nation.

Great Britain, he found, still suffers from the ill effects of its "dole" system. Its unemployment problem is a serious one, large number of men being out of work through the closing of the mines and many of the print manufacturing establishments. With characteristic doggedness the Britons, however, have faith in their ability to "muddle through" and are not discouraged.

Fidelity bonds are not used abroad anywhere near the extent they are in the United States, and whether there is possibility that the business could be conducted on a profitable basis is a question. For a time the Fidelity & Deposit of Baltimore maintained offices in Paris and certain other centers throughout the continent, but it retired from that field just prior to the outbreak of the World War.

## NEW COMPANY IS TO WRITE SURETY LINES

### WESTERN & SOUTHERN PLAN

**Cincinnati Project is Maturing—Casualty Underwriter Will Be Secured to Take Charge**

The American Liability of Cincinnati, which has been purchased by interests connected with the Western & Southern Life of that city, will be liquidated. The new company, organized to take over the business and plant, is called the American Liability & Surety. The Western & Southern people at first thought of including the name "Western & Southern" in the new company but gave up that idea. The present charter of the American Liability does not permit it to write surety business. Charles F. Williams, vice-president of the Western & Southern Life, who is the prime factor in the recent negotiations, is anxious to have a company that will write surety business. The Western & Southern Life itself pays out a considerable sum each year for fidelity bonds. The company also has a considerable premium expense on automobiles that it uses. In addition it can swing much of the automobile business of its home office staff, managers and agents to its own auxiliary.

The policy of Mr. Williams will be to let the old company move along as it has until the new company is licensed. He will then secure a high grade casualty and surety man to take charge of the company and formulate its underwriting policy.

## FORGERY LOSSES SET RECORD

**Banks Harder Hit on Bad Checks in 1927 Than in Any Previous Year**

NEW YORK, June 27.—Losses sustained by banking institutions of the country in 1927 and thus far in 1928 through the payment of bad checks, according to a statement by Wallace M. Davis, assistant cashier of the Citizens Union National Bank of Louisville, in an address before the recent annual convention of the American Institute of Banking at Philadelphia, increased greatly both in number and aggregate amount involved over all previous records. The apparent cause for this condition, Mr. Davis added, might be assigned to the "tremendous volume of business" now transacted.

"The elasticity of our banking," he said, "has been stretched to accommodate the needs of millions of depositors, and in numbers there is danger. Furthermore, we have cut the hawsers to sail into a sea of wild competition for business. In so doing we have sacrificed our own safety for a much over-estimated idea of service." It was Mr. Davis' conviction "that a better informed, keener visioned, more careful someone" could have prevented many of the forgery losses.

Various forms of forgery coverage are now written by many of the surety and casualty companies, several offices making an especial drive for the business and with desirable result. The customary bank form of policy covers up to 500 accounts for the initial rate, beyond which an additional charge of 15 cents for each depositor is required. The rate for coverage to commercial houses is higher than that granted banking institutions, the hazard in the latter case being more severe. Commercial concerns, eager to make sales of their goods, often take chances on checks that banks would not think of accepting.

The Independent Bonding & Casualty of Newark has applied for license in West Virginia.

## CHICAGO SURETY MEN STILL HOPE FOR PEACE

### REGRET NEW EASTERN MOVE

**Believe Serious Conditions Will Result If Acquisition Cost Rules Are Not Effectuated**

Members of the Surety Underwriters Association of Chicago express displeasure and regret over the action of a large eastern company in withdrawing from the acquisition cost conference with regard to Chicago and Kansas City and thus blocking the efforts of the Chicago men to bring peace in the Chicago field. Although it is admitted that "wide open" is the writing rule in some other centers than Chicago even more than it is in Chicago, yet because of the importance of Chicago as a fidelity and surety premium producing center it is felt that the start toward cleaning up nationally should be made in that city.

Many Chicago surety men admit they do not know the full significance of the latest move in the east. Although some believed that trouble would ensue when executive signatures to the Chicago agreement were sought, few believed that all parties at interest would not finally pledge adherence to the rules. Now, however, it appears to some that peace is as far off as it was previously to last November, when the first rules for Chicago were drafted.

#### Appointment Postponed

The latest draft of the rules provides for an arbitrator. Appointment of this arbitrator has been postponed, though, until pledges of adherence could be obtained from executives of all companies that are members of the national conference. The move blocking inauguration of the rules follows on the attempt to obtain the signatures.

The Chicago association executive and acquisition committee and the Chicago subcommittee of the national agency committee worked hard to draft rules acceptable to all and to put them into effect. They feel now that if the rules are again set aside years may elapse before acquisition cost harmony is established nationally or locally in Chicago.

None of the Chicago surety men view the situation without hope. Most of them are of the opinion that eventually the rules will be subscribed to and effected. But in stating their opinions most of the association members also point out what can—and probably will—happen if the rules are set aside.

### Opens New England Branch Office

The General Accident announces the establishment of a New England branch office at 33 Broad street, Boston, and the appointment of James O. Sharp as manager. The office will have a complete claim, engineering, inspection and auditing department as well as underwriting facilities. Mr. Sharp is an experienced casualty man. He had several years' experience in New York, and has been in the New England field for 12 years, more recently with the Boston office of the Globe Indemnity.

Kaler, Carney, Liffler & Co., at their own request, have been relieved of the general agency of the General Accident for Massachusetts. After July 1 the agency will confine itself to the metropolitan Boston field.

### Licensed in Three More States

Joseph W. Ward, president of the Pennsylvania Surety Corporation, announces that his company has been licensed in Kansas, Massachusetts and Missouri. He reports satisfactory progress of the new organization.

## MUCH SPECULATION ON NEW LIABILITY RATES

### AWAIT MASSACHUSETTS MOVE

**Rumor Abroad That Aggregate Automobile Returns Show Underwriting Loss Under Compulsory Law**

NEW YORK, June 27.—There is lively speculation in casualty underwriting circles here as to the new liability rates that the Massachusetts Automobile Rating & Accident Prevention Bureau will promulgate for the new fiscal year. All companies granting coverage under the term of the compulsory automobile liability insurance have filed their experience for the policy year which ended March 31, and upon this showing rates for the new year will be predicated. While the official figures will not be known for some time yet, current rumor has it that the aggregate returns disclose an underwriting loss of from 8 to 10 percent. The great majority of the claims, as was to have been expected, occurred in the Boston zone. Throughout the balance of the state, the result was not disturbing.

When the law first went into effect the rates were issued by Commissioner Wesley E. Monk, it being appreciated that these were purely experimental and would be revised upward or downward as results made necessary. Rates are now made by the Massachusetts Automobile Rating & Accident Prevention Bureau, subject to the approval of the insurance commissioner. It is estimated that the premiums paid in the state for this form of protection last year totaled \$18,000,000.

## U. S. F. & G. SETS RECORD FOR FIVE-MONTH PERIOD

BALTIMORE, June 27.—Net income of the United States Fidelity & Guaranty for May totaled \$1,293,000 and for the first five months of this year, \$2,934,000, it is announced by Howard R. Bland, president, following the regular monthly meeting of the board of directors last week.

Out of net income for the first five months of this year \$2,282,000 was added to surplus as compared to \$796,000 for the corresponding period in 1927. Increase in market value of securities was \$249,551, making the total addition to surplus \$2,531,680. The surplus and undivided profits May 31 totaled \$14,009,823.

Underwriting profits were sufficient to pay the regular dividend of \$9 a share and \$1 extra for the full year, with a balance of \$782,128. Net income for five months was at an annual rate of 73.44 percent on the capital stock. Earnings for May and the five-month period set a record for all time.

### Unpaid Premiums \$1,000,000 a Year

Uncollected earned casualty premiums in the New York City territory average approximately \$1,000,000 a year, according to a report on the uncollected premium situation made by the Central Bureau to the New York insurance department. The report covers the first full month in which casualty and fire companies joined in reporting their uncollected earned premium experience to the Central Bureau. Fire companies reported 8,579 items totaling \$37,096, and the casualty companies 5,101 items totaling \$84,620. The casualty items are only 37.3 percent of the total of items handled by the bureau, but the total amount of unpaid earned premiums reported by casualty companies is 72 percent of the total.

The Central Bureau is operating efficiently to correct the "free insurance evil," and fire and casualty companies are fully appreciative of the bureau's value.

## COURT CRITICIZES THE LIQUIDATION EXPENSE

### LINCOLN CASUALTY CASE UP

**Detailed Report of the Transactions Demanded From Illinois Director of Trade and Commerce**

SPRINGFIELD, ILL., June 27.—Circuit Judge Charles G. Briggelle has called upon H. U. Bailey, director of trade and commerce, to explain how \$36,704 for expenses was paid during the first year in the liquidation of the Lincoln Casualty of Springfield, which was forced to the wall in March, 1927. Under the Illinois law the department of trade and commerce acts as the official liquidator. Judge Briggelle said that the report of the director showed that nothing was paid to the creditors during the year ending March 7, 1928. The court then ordered all expenditures in connection with the liquidation stopped and also instructed Mr. Bailey to file a complete and detailed report of the expenditures by the first day of the September term of court.

#### What the Report Showed

The report showed a bank balance when the company was taken over of \$3,402.76 with the cash received up to March 7 of this year \$332.97. The report shows there was spent \$36,704.15 in expense, leaving a balance of \$31.58 in the Citizens National Bank of Princeton, where Mr. Bailey resides. Attorneys for Mr. Bailey were in court in connection with the hearing to adjust accounts between the Lincoln Casualty and the North Side State Bank of Springfield, which also failed 15 months ago. The court took advantage of their presence to make inquiry regarding the expenses.

The judge called attention to the fact that the report lists rather large amounts for salaries, without naming who received the money. There are also sizeable sums for traveling and legal expenses. Judge Briggelle inquired why the liquidation offices had been moved to Princeton, out of the jurisdiction of the Springfield courts. The attorneys stated that rent and other expenses are more reasonable in Princeton. The judge asked who was the deputy receiver liquidating the company. The attorney said that it was H. J. Bailey. The judge asked whether he was a son of H. U. Bailey. The director himself is debarred by law from receiving compensation as a receiver.

### Aetna Life's Building Plans

A model of the new home office building of the Aetna Life and affiliated companies is now on display at the 650 Main street building of the company in Hartford. It is of colonial design, six stories, and will be constructed of brick. It will be an oblong building with short wings at each end which can be extended when future growth demands. The architect is John Gamble Rogers. The company will break ground in the fall.

### Miller Made Indianapolis Manager

M. H. Miller has been appointed manager of the Indianapolis branch office of the Commercial Casualty. Mr. Miller has been in the insurance business for 14 years, getting his early training with the Prudential Casualty, a former Indiana company. Later he was affiliated with the Wisconsin Casualty Rating Bureau and then represented the Aetna Casualty & Surety. For the past 18 months he has been acting as assistant manager of the Commercial Casualty's Indiana branch.

### George H. Dick Resigns

George H. Dick has resigned as chief safety engineer in the Chicago office of the Hartford Accident. No successor has been announced. He was in the position for about eight years.



## FEW LIFE COMPANIES COVERED ON LIABILITY

Interesting Results Shown by  
Survey Made by American  
Life Convention

### LISTS COMPANY PRACTICE

Situation as Regards Compensation  
Cover on Agents and Insurance on  
Their Autos Outlined

ST. LOUIS, June 27.—That comparatively few life insurance companies have protected themselves by carrying public liability and workmen's compensation insurance on their agents in the field and property damage insurance on automobiles used by their agents in life insurance work is indicated by a survey recently completed by the American Life Convention.

Recent inquiries, prompted largely by the California ruling in the case of Dillon vs. Prudential, which held the insurance company liable for the torts of its agent, and a Michigan decision that an insurance company is liable for the accidental death of an agent while soliciting business, were the basis for the survey made by the American Life Convention.

#### Questionnaire Sent Out

A questionnaire was sent out to all member companies, inquiring as to their practice in this matter. In all 134 companies sent in replies. It was found that 104 of these do not carry any workmen's compensation insurance on their agents, while 110 companies are without liability insurance on agents. Further it was found that the greater majority of the companies that do carry workmen's compensation and liability insurance restrict such coverages. In respect to workmen's compensation insurance it was learned that six companies insure soliciting and general agents, two companies cover all full-time agents and another soliciting agents only.

#### Property Damage and Liability

Of the 24 companies that reported property damage and public liability insurance on agents' automobiles a very wide divergence in coverage was apparent. Property damage lines ranged from \$1,000 to \$10,000 while on public liability \$5,000/\$10,000 to \$100,000 was reported. The following is a complete digest of the survey on property damage and liability insurance:

Soliciting Agents			
Co.	Prop. Dam.	Public Liability	Cover
1	\$1,000	\$10,000/\$20,000	Blanket
2	None	10,000	Blanket
3	2,000	10,000/50,000	Blanket
4	.....	10,000/20,000	.....
5	1,000/2,000	10,000/20,000	Blanket (Some separate)
6	1,000	5,000/10,000	Blanket
7	None	10,000/20,000	Blanket
8	None	Injury 5,000	Blanket
9	1,000	Death 10,000	Blanket
10	10,000	40,000	Blanket
11	1,000	20,000	Blanket
12	1,000	10,000/20,000	Blanket
13	1,000	5,000/10,000	Blanket
14	.....	.....	.....
15	2,000	10,000	Blanket
16	10,000	5,000/10,000	Blanket
17	.....	10,000	Separate
Salaried Agents, Supervisors, Etc.			
18	.....	25,000	Blanket
19	.....	(Salaried Supervisors)	.....
20	1,000	100,000	.....
21	.....	(Company Owned Cars)	.....
22	1,000	5,000/10,000	Separate
23	.....	(Agency Supervisors' Cars)	.....
24	1,000	10,000/20,000	Separate
25	.....	(Salaried Men Under Company Supervision)	.....
26	3,000	35,000/70,000	Separate

## ARBITRATION CLAUSE USED ON ALL POLICIES

### SEEKING SPEEDIER JUSTICE

Metropolitan Casualty Has Now Put Its  
New Plan in Effect on Auto-  
mobile Contracts

Having pledged its acceptance of the principle of arbitration, the Metropolitan Casualty is now attaching to all of its automobile liability policies an endorsement "binding the company to arbitrate any automobile personal accident claim arising thereunder if the plaintiff is willing to meet it half way." The Metropolitan is the only casualty company thus far to adopt the idea and has instructed its agents to use the endorsement not only upon new policies but to attach it to those outstanding as well. Commenting upon the departure, J. Scofield Rowe, president of the Metropolitan Casualty, held that "our business consists, among other things, in buying other people's automobile accidents. Many of these accidents result in obligation on the part of the assured—an obligation which we, under our policy and for a premium, have assumed." The first benefit of the move, he maintains, is its recognition of the fact "that slow justice is injustice, and that speedy justice is vitally important in such cases."

(Agency Supervisors and Superintendent Farm Loan Department Only)			
22	.....	Separate	.....
23	.....	(Salaried Field Employees)	.....
24	1,000	15,000/25,000	Separate
25	.....	(Company's Cars in Treasury Department)	.....
26	1,000	40,000	Separate
27	.....	(Company Owned Cars)	.....

\*Requires agents operating automobiles to carry liability insurance covering company as well as agent.

#### Wide Variation in Practice

In all 134 companies responded. Of these 110 companies do not carry liability insurance, 113 do not carry property damage insurance. But 13 companies carry property damage and public liability on soliciting agents. Of these six restrict property damage to \$1,000, one to \$1,000/\$2,000, two to \$2,000 and two to \$10,000. One company did not state coverage. On liability insurance the most popular coverage for soliciting agents is \$10,000/\$20,000 with five companies so protecting themselves, four carry \$5,000/\$10,000 limits and three flat \$10,000. Fifteen companies carry blanket coverage on soliciting agents while one company has separate coverage. Separate coverage is the rule for salaried agents, supervisors, etc., the survey indicates.

#### Dillon Case Reviewed

The decision in the case of Dillon vs. Prudential was handed down by the California District Court of Appeals, First District, Division No. 2, Nov. 20, 1925. It held that the company was liable for the negligent operation of an automobile by a soliciting agent. The accident on which the suit was based occurred while the agent was driving to the company's office to attend an agency meeting. The agent's contract provided that he was to devote his entire time to soliciting for the company and work eight hours a day at such employment. The accident was in the territory assigned to the agent. The company's defense was that the agent was an independent contractor and that his movements were not directed by the company.

#### Baker Resigns; Bolton Is Successor

R. E. Baker has resigned as Chicago resident manager of the Georgia Casualty. He is succeeded by J. W. Bolton, Jr. Before joining the Georgia Mr. Baker was casualty manager of Starkweather & Shepley, Chicago.

## UNION INDEMNITY MAKES SPRAGUE VICE-PRESIDENT

### WITH COMPANY EIGHT YEARS

President W. Irving Moss Comments  
Favorably on Promotion of  
Young Executive

The Union Indemnity announces that Frank Ellsworth Sprague has been advanced to vice-president of the company. Mr. Sprague has been superintendent of agencies in the home office and will continue his duties in this capacity as vice-president.

Frank Sprague's rise in the Union Indemnity has been rapid. He entered the surety department as an underwriter in 1920, just after the company was organized, and soon rose to head of the contract bond department. Serving successively as assistant secretary, assistant vice-president and now vice-president, Mr. Sprague is one of the youngest senior insurance executives in the coun-



FRANK E. SPRAGUE  
Vice-President Union Indemnity

try. Mr. Sprague was graduated with honors from the engineering department of Tulane University in 1914, and served as captain in the engineering corps during the World War.

W. Irving Moss, president of the Union Indemnity, in commenting upon Mr. Sprague's promotion, said: "His advancement has been well merited and it is a source of great pleasure to the company that we are able to fill this position from within the organization with a young man who has grown up with the Union Indemnity."

#### American Motorists on Coast

Gould & Gould of Seattle have been appointed Washington general agents for the American Motorists of Chicago, which has just been licensed in that state, while the company will be represented in Oregon on a general agency basis by W. C. Hagerty of McMinnville, Ore. Mr. Hagerty is also vice president of the Oregon Fire Relief Association of that city.

#### Anderson in New Chicago Post

Arthur O. Anderson has been appointed supervisor of the Cook county department of the Chicago branch office of the Commercial Casualty. Mr. Anderson formerly managed the bond department of the Great American Indemnity's Chicago office, prior to which time he was connected with the bond department of the Globe Indemnity, as Cook county representative. He is well acquainted with insurance men in Chicago and Cook county and comes to his new position splendidly equipped.

## TRAVELERS CLUBS IN ANNUAL MEETING

Officers of Agents Organizations  
in Convention at Groton,  
Connecticut

### GREAT RECORDS MADE

Names of High Honor Men in Various  
Lines Were Announced at  
Gathering

GROTON, CONN., June 27.—At the annual convention of officers of agents' clubs of the Travelers, which opened at Eastern Point, Groton, Conn., today it was announced that the total number of agents qualifying in the six clubs last year was 3,066. Of this number, 323 elected themselves by their accomplishments for official positions as presidents, vice-presidents at large, district vice-presidents, or members of the President's Club. Twenty-seven agents qualified for more than one office.

The club officers proved themselves outstanding producers of multiple lines, as is shown by the statement that the average premium volume per agent of the 323 club officers was \$51,642, and that the business reported showed a good volume from every line written by the three Travelers companies.

#### Life Insurance Production

New life insurance paid for by the club officers in 1927 was \$110,157,000, and the total life premiums paid in amounted to \$8,837,000. The total accident and health premiums of the 323 club officers was \$1,704,589; total casualty premiums, \$4,494,417; group premiums, \$1,390,759, and fire premiums \$253,648. The total premiums which the 323 officers paid to The Travelers in 1927 amounted to \$16,680,486.

#### Life Club Membership

The membership in the life club was the largest, with a record enrollment of 1,488. William G. Thayer Shedd of Johnston & Collins Company, New York, qualified as president of the Life Leaders Club in 1927 for the second consecutive year. The 1,488 members of the life clubs produced in new life insurance during the year \$343,722,000, an average production per member of \$231,000.

The 24 vice-presidents at large of the Life Leaders Club paid for an average individual production in new life business of \$1,130,061, and the 106 district vice-presidents paid for an average individual production of \$475,357. These individual records of life production do not tell the whole story, because the officers of the life clubs also produced premiums in accident, group, casualty and fire amounting to \$2,564,169, an average of \$19,573 in premiums other than life premiums per officer during 1927.

#### Automobile Production

The automobile clubs, with a membership of 831, were the second in size. The president for the second consecutive year is J. Watson Beach of Hartford. The 831 members of the automobile clubs in 1927 paid for \$3,173,353 in new automobile premiums, an average of nearly \$4,000 each.

The accident insurance clubs had a membership of 381 in 1927, and the 56 members of the Accident Leaders Club paid for just under \$200,000 in new accident and health premiums, an average of \$3,540. In addition the 325 members of the Accident Producers Club paid in new accident premiums \$436,775. W. B.

(CONTINUED ON PAGE 64)

## PROBLEMS OF AVIATION COVERAGE ENUMERATED

**Vice-President Moray, Hartford  
Accident, Explains Complica-  
tions to Conference**

### STATE LAWS ARE VARIED

**Skilled Actuaries and Underwriters Are  
Studying Risks Involved and Work-  
ing Out Problems**

BOSTON, June 27.—Aviation is now entering its thoroughly constructive phase, "a phase which is entitled to support as an economic necessity and an attractive investment," business men attending the New England Aviation Conference under auspices of the New England Council here were told by Norman R. Moray, vice-president and general manager of the Hartford Accident. The general subject of the conference, called by the council in an effort to stimulate the development of the aviation industry in New England, was "The Business Aspects of Aviation."

Discussing "Insurance and Aviation," Mr. Moray declared that the skilled actuaries and underwriters of insurance companies are now studying the risks involved and will develop means of insuring the varied aspects of commercial aviation.

#### Will Solve Problems

Diversity of state laws covering compensation for employes and other complicates the question of aviation insurance, but these questions are rapidly

being worked out, the New England business men were told. "American insurance companies feel it incumbent upon them to solve these problems for the aviation transportation industry," Mr. Moray said. "If the science, the vision, the optimism and the enthusiasm of the aviation industry has made it possible for these harbingers of a new day in transportation to achieve the development which they have, it would be



**NORMAN R. MORAY**  
Vice-president Hartford Accident

a sad commentary indeed upon the insurance fraternity if the latter failed in its own problems."

Mr. Moray interestingly enumerated the difficulties facing the companies. In part, they follow:

"First take one of the lesser items, the aviation company's financial responsibility for the death of the aviator or other

employes in the machine. Of this problem there are several subdivisions:

"Certain states have enacted compensation laws definitely fixing the amount of money due the dependents of a workman in case he is killed or injured in his occupation. The laws of some states apply to employes whether they are killed within that state or outside of it, termed 'extra territorial.' The laws of other states apply only to accidents which occur within the borders of that state, termed 'not-extra territorial.'

#### Must Prove Negligence

"Then we have the so-called common law states in which there have been no compensation laws enacted and wherein the dependents of an employe, in case of his death, are not legally entitled to any money unless they sue at common law and prove negligence on the part of the employer.

"There is a fourth subdivision which probably would apply to aviation transportation companies operated in conjunction with railroads. The employes of such a company would probably come under the present federal employes liability act or some similar law which Congress may enact.

"Now, what do these subdivisions mean so far as aviation insurance is concerned? For the purpose of uniformity, let us assume, when referring to a crash, that the employe is killed and that he leaves as dependents a wife, under 30, and three children, ages approximately six, four and two years.

#### Amounts Vary Greatly

"If an aviation transportation company sends a plane from Boston to Florida and employs the aviator in Massachusetts, whatever the crash, his dependents will be entitled to \$6,550. If employed in Connecticut, they will be entitled to about the same. If employed in New York, they will be entitled to \$29,000; in New Jersey to \$12,000. If in Pennsylvania, a state with no extra-territorial provision in its law, and the

crash is in Pennsylvania, the dependents will be entitled to \$8,000. If, however, the crash is in any of the beforementioned states, the dependents of the aviator will be entitled either to the compensation award of that state, or they will have to sue at common law and prove negligence. Which of these two conditions will prevail is dependent upon several contingencies among which is the nature of the contract made with the aviator.

#### Law Does Not Follow

"If employed in Georgia to fly only in Georgia and the crash occurs in Georgia, the dependents will be entitled to \$4,000. If employed to fly outside of Georgia, the Georgia compensation law would not follow him, and the same conditions as respects Pennsylvania would probably prevail.

"In the event of the larger planes where an aviator and perchance a steward or some other employe is also in the plane, still further complications might prevail. Take the case of a steward employed in New York and an aviator in North Carolina, and they crash in either North or South Carolina or Florida, the dependents of the New York steward would be entitled to \$29,000, whereas those of the North Carolina aviator would be entitled to nothing unless negligence was proven.

#### Property Liability Small

"While this analysis could be greatly extended and many more intricacies cited, it would seem that the foregoing is sufficient to explain one of the causes of the delay on the part of insurance companies.

"As respects the plane itself or property therein, that liability can be definitely determined, and, while the loss of a \$30,000 aeroplane might be of some consequence, it would probably not be serious to a well-financed aviation company. Also the property in the machine might not be of serious consequence.

"Let us now take up the passenger hazard and assume that a plane is carry-



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There is more undeveloped business in the casualty field than in any other Insurance line.

If you are not writing this class of business with an aggressive growing organization — why not join the 2,000? Address:

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# Why I'd choose The National Surety Company



if I were seeking a new  
Surety connection

By Eugene Whittington of  
Eugene Whittington & Company  
General Agent  
Oklahoma City, Okla.

In seeking a surety company connection for your office you should be more careful in selecting just the right company to handle your surety business than for any other line in your office. There are a great many companies that write surety bonds, but only a few do any great volume of surety business.

A casualty company writing a small volume of surety business can not take care of your business for you like a big surety company can, nor should you permit yourself to be induced to represent the small company holding out excess commissions or underwriting concessions as an allurement. These are dangerous practices that lead inevitably to trouble for the Company and for the agent. It almost always means a sacrifice of that certainty of company solvency and responsibility which is the very foundation of a successful insurance office.

Successful underwriting of surety business must necessarily depend upon experience; experience paid for by millions and millions of dollars of loss. Consequently a Company like the National Surety Company that writes nearly a fourth of all the fidelity and surety premiums of the whole country and which has paid out during its history nearly a hundred million dollars of fidelity and surety losses, possesses in its files and in the minds of its officers and underwriters a fund of information and data that is worth a tremendous sum and places it in a position to give such consideration to the offerings of its agents and to arrive at such an exact degree of judgment as is quite impossible with the small companies.

If you'd like to know more about National Surety Company service and would like to find out if we have an opening in your town, clip this ad, attach it to your letterhead and send to

## NATIONAL SURETY COMPANY

WORLD'S LARGEST SURETY  
COMPANY,

115 Broadway,  
NEW YORK.

ing 10 passengers and that in the event of a crash they will all be killed. Let us assume a flight from Boston to Los Angeles. If the crash occurs in Massachusetts or Connecticut, the liability would be limited by law to \$10,000 per passenger or \$100,000 for all. If in New York there is no limit and a \$50,000 verdict on the part of a jury for each passenger would not be excessive, making a possible total liability of \$500,000 on one machine. If the crash occurred in New Jersey, Pennsylvania or Ohio, there is no limit in law as to the amount of liability for each death. However, the verdicts possibly would be lower than those in and around New York City with the exception of northern Ohio where verdicts for death run very high.

"If they crash in Indiana, Illinois, Missouri or Kansas, the limit of liability is \$10,000 per person. In Colorado the limit is \$5,000 per person or \$50,000 for the ten. Here we find a possible difference between the crash in Colorado and the crash in New York of \$450,000. New Mexico, Arizona and California, again, are unlimited. If, on the other hand, the plane became lost in fog and crashed just beyond the Mexican border, there would be absolutely no liability even if the whole 10 passengers were killed.

"It, therefore, can be seen that insurance companies must not only endeavor to foresee the number of people to be killed per 1,000,000 flying miles, but they must endeavor to foresee where they will be killed, if they are to even approximate this cost.

"We have been referring only to passengers and property in the plane. But a still greater scope for large loss exists as respects those on the ground. If a plane crashed into a building housing other human beings, not only will there be liability for the destruction of the building but liability for the destruction of those lives. Here again, as between a plane crashing on a church or theatre in and around New York City or somewhere in Colorado, there might be the difference between \$5,000 and \$50,000 for every person killed.

### Problem of Reinsurance

"There is yet another problem that must be solved. No well regulated insurance company can afford to have more than a certain amount at risk on one contingency. If a conservative, well-managed American company concluded to have at risk as much as \$25,000 on one aeroplane and the aviation transportation industry is going to require \$500,000 or more insurance on one plane, it means that the writing company must reinsure or give over to other insurance companies nearly \$500,000 of the risk. That presupposes the writing company obtaining the privilege of obligating other financial institutions to the extent of 20 times the amount it is willing to obligate itself.

"And, secondly, in the placing of this surplus insurance, the writing company needs to be not only a banker but a super banker. It must not only be sure that the company with which it reinsures is financially responsible at the present moment, but that it will be financially responsible five, 10, or perhaps 30 years hence. It is almost a certainty that claims for damage will have to be litigated, not necessarily over the question of liability for the accident but over the amount of damages to which the heirs of the deceased are entitled. In some states damage suits can be finally adjudicated in one or two years. In other states it takes much longer. But in a case involving children, under some circumstances, the suit might not be finally adjudicated for 20 or 30 years. Therefore, while the writing company is asking much of its reinsurance companies when it demands the privilege of controlling a partnership in which it has only perhaps a 5 percent interest, the reinsurance companies are asking something of the writing company when they request that it shall foresee their financial standing a quarter of a century hence."

## WORKMEN'S COMPENSATION

### OBJECTIONS DELAY REVISION

#### Discriminatory Claim Regarding Expense Constant Will Be Investigated by Legal Committee

NEW YORK, June 27.—The Michigan department having raised the point as to whether the proposed inclusion by the National Council on Compensation Insurance of an expense constant upon all policies paying an annual premium of \$300 or less is discriminatory, the matter has been referred to the legal committee of the council, which is giving it attention.

Leaders of two important manufacturing interests of Georgia have objected to certain features of the rate revision program for their state submitted by the National Council some time ago. A hearing in the matter will be held by Commissioner W. A. Wright at an early date. Approval has already been given by the commissioner to the revised minimum premium formula, the revised executive officers rule and to the revised experience rating feature. The decision was deferred in so far as the application of the expense constant and its offsetting rate reduction and the special minimum feature propositions are concerned.

#### Expect Ruling This Week

OKLAHOMA CITY, June 27.—The Oklahoma insurance board on Friday of this week will probably pass finally on an application for a revision of rates on compensation insurance. Hearings have been held by the board in the matter, but on request of some of the contractors concerned who wished to present additional facts to the board, the hearing was continued to June 29. Several contractors have claimed that the changes would be disadvantageous to them and board desires to hear from them further.

The matter of fixing rates on compensation insurance is one the board has been occupied with more or less for some time.

#### Pay Until Man Gets Job

TOPEKA, KAN., June 27.—John H. Crawford, head of the compensation division of the Kansas public service commission, has ruled that where an employer discharges a man who is hurt and comes back to work, the employer must pay compensation until the employee finds a job. The ruling was handed down in the application of Bud Dow, employed by the Gould Castings Corporation of Kansas City, Kan., and the American Mutual.

Dow was injured and recovered. He was discharged as cured by the company's physicians and reported for work. The foreman said he had no work for him for a few days. Later when Dow went back he was told that he had been discharged. When it came to the settlement of his compensation claim he demanded pay for the three weeks after he was reported fit for work and until he landed another job. The compensation division held that when the company refused to take him back to work that it was "presumed that he was not in condition to work" and therefore that the company and its insurance carrier must pay Dow for the time actually lost.

#### Can't Deduct Delivery Cost

SALT LAKE CITY, UTAH, June 27.—Employers of their insurance carriers have no right under the Utah workmen's compensation insurance law to deduct from compensation awards any charge or cost of delivery of payments to beneficiaries regardless of where the beneficiaries may be, according to a ruling of Attorney General Cluff, made at the request of the industrial commission. A coal company has been deducting the cost of sending compensation to a beneficiary in Greece and complaint of the deductions was made to the commission. Mr. Cluff held that the parties were in the position of debtor and creditor, and he said that unless otherwise agreed, a debt is payable where the creditor re-

sides and the risk of loss through sending the money is that of debtor, not the creditor, so that it behooves the sender to use the greatest care in the transmission of the money.

#### Mutuals Hold Up Kansas Action

TOPEKA, KAN., June 27.—The new schedule for workmen's compensation rates in Kansas, in which the stock casualty companies proposed a marked increase in the minimum premium charge and a 20 percent increase in the constant charge, has been held up by the Kansas department. The department expected to hold a hearing this present week at which the companies would submit any additional facts and the employers could submit any information they might have to oppose the change, but the Association of Mutual Insurance Companies asked for a continuance and announced that it desired to submit some evidence regarding the opposed changes. It then became necessary to postpone action by the department until after the mutual men had presented their facts. This is expected to be done this week.

#### Interesting Aviation Question

TOPEKA, KAN., July 27.—The compensation division of the Kansas service commission has set July 9 as the hearing date for the application for an award for the widow of F. D. Hoyt, salesman employed by the Stearman Aircraft Corporation of Wichita. This case presents an interesting compensation question, even though no insurance company is involved in the proceedings. The Stearman company carried insurance for its ground men but the companies do not write insurance on aviators.

Hoyt was employed as salesman. He was an experienced pilot and sold a plane to be delivered at Seattle. While flying the plane from the plant to Seattle he ran into a snow storm in Idaho and was forced down. The plane was not injured but Hoyt died from exposure. His body was found frozen a short distance from the plane some days later.

The company has refused to pay compensation to the widow on the ground that Hoyt was on the payroll as a salesman and not as a pilot and therefore that he was not in line of duty when injured.

#### Compensation for Air Pilot's Death

SEATTLE, WASH., June 27.—In the first case of its kind ever tried in King county, Superior Judge Davidson ruled that Mrs. Marian Johnston Hinds, whose husband was killed while piloting an airplane, is entitled to recover under the state workmen's compensation act. The state board refused to grant her compensation, declaring that Johnston borrowed the plane to take up three passengers.

#### Shows Nebraska Revision Needed

LINCOLN, NEB., June 27.—Pointing out that because of the liberal administration of the workmen's compensation law by commissioner and courts, with the accompaniment of high insurance rates, 63 of the largest employers of labor in the state have become self-insurers, O. H. Zumwinkel, commissioner for the Nebraska Manufacturers' Association, told the commission named to rewrite the law that a thorough revision is needed. He said the present situation leaves the smaller employers carrying the heavy burden and admittedly the insurance carriers are losing money.

Proposals for changes will be submitted to the commission at a meeting set for Sept. 18. Meanwhile sub-committees will gather data on medical and hospital costs, lump sums vs. continued payments, office administration and legal service, state operated insurance, comparative costs of insurance, inspection of hazards and accident prevention, and benefits.

#### California Ruling

SAN FRANCISCO, June 27.—According to an opinion just rendered by Commissioner Detrick of California by the attorney general, the state rating bureau supervising compensation business has no jurisdiction over the rates to be charged by the companies for the federal longshoremen's and dock workers' compensation insurance.



## WITH BURGLARY UNDERWRITERS

### ASSURED MUST PROVE LOSS

#### New York Supreme Court Justice Sets Aside Jury Award Because of Poor Accounting

In refusing to set aside the jury's verdict in favor of the Fidelity & Deposit in an action brought by Irving Fastenberg, retail shoe dealer of New York, Justice Hatting of the Supreme Court ruled that an assured must have his accounts in such form that he is able to prove the actual loss sustained under a burglary policy in accordance with the terms of the policy. The Fidelity & Deposit, while admitting a burglary at the plaintiff's premises, denied that any merchandise had been removed by the burglars. The plaintiff was unable to produce bills to prove that the particular merchandise he claimed was missing actually had been taken.

In his opinion Justice Hatting said: "It was the burden of the plaintiff to recover under his policy of insurance to prove not only that a burglary occurred, but that he suffered a loss in the burglary. The defendant was entitled to have the loss calculated in the manner provided for by the policy. Although the facts of the case indicate that there was a felonious entrance by force into the premises of the defendant, and it can be reasonably inferred from the testimony that the plaintiff suffered a loss, the testimony offered by the plaintiff was not sufficiently definite to constitute a fair basis of calculation."

#### New Policy Appeals to Agents

NEW YORK, June 27—Though the new residence burglary policy sanctioned by the burglary division of the National Bureau of Casualty & Surety Underwriters may not be issued before July 1, agents of all member companies have been advised of its many desirable features and the reaction from the field men has been altogether favorable. Resi-

dence business is regarded as probably the most desirable form of burglary coverage by the casualty companies and all are anxious to develop the line to the largest possible degree. The new form is expected to make an appeal to home owners, who have objected to the restrictions in the policies previously in use. These have now largely been eliminated.

The burglary division of the National Bureau is busy tabulating the experience of its members for the past year, and it is assumed the data covering the bank line will be available shortly after July 1, to be followed at intervals by that covering other classifications. It is not anticipated at this time that there will be any material revision in rates on any of the classes.

#### Recover Ohio Bank Loot

COLUMBUS, O., June 27.—Representatives of the American Surety announced this week that they had located and attached \$75,000 of the bonds stolen from the People's & Drivers' Bank at Washington Courthouse, O. Of these, \$37,000 were found in Chicago, it is said, having been disposed of in Texas. The remainder was found in Dallas, Tex., where a suspect is under arrest.

#### St. Paul Bank Loss Paid

ST. PAUL, June 27—The first bank robbery in the state in several months cost surety companies \$4,300. The Grand Avenue State Bank of St. Paul was held up and robbed June 22 and within a few hours settlement was made by the William B. Joyce Co. The insurers were the National Surety, one-half; American Surety, one-third, and Aetna Casualty, one-sixth.

#### Meyborg Is Promoted

State Manager P. E. Wiles of the National Surety at Newark, N. J., announces the resignation of Milton J. Gimber as superintendent of the burglary department. J. Harry Meyborg has been appointed superintendent of the burglary and plate glass department for New Jersey.

## ACCIDENT AND HEALTH

### INSURANCE LAW VIOLATED

#### Dallas Benevolent Organizations Conducting Life Insurance Business Will Be Prosecuted

AUSTIN, TEX., June 28.—A crusade is being waged by the attorney-general's department, through Assistant Attorney-General Brann Fuller, assisted by J. J. Bifle, legal investigator, against corporations chartered for the purpose of supporting any benevolent, charitable, educational or missionary undertaking, which instead are doing a life and health insurance business.

#### What Survey Shows

A survey just completed by Mr. Fuller at Dallas revealed that in that city alone 21 of these corporations are violating the fraternal benefit society insurance laws of the state. To do a life and health insurance business the law requires such corporations to obtain certificates from the state board of insurance commissioners and the law places them under the jurisdiction of the insurance board. Assistant Attorney General Fuller said that investigation showed that the Dallas corporations are operating without authority of the insurance board and that notice has been given them that if they do not immediately file dissolution of their charters court proceedings would be brought to forfeit the charters.

Mr. Fuller estimated that there are at least 100 corporations in Texas which are doing an insurance business under charters authorizing them to only sup-

port benevolent, charitable, educational or missionary undertakings.

#### Inter-Ocean's Illinois Meetings

Agents of the Inter-Ocean Casualty in Illinois under the direction of E. A. Johnson of Chicago, state manager, are holding monthly educational meetings. The meeting for June was held in Joliet. Thirty agents were present. They were addressed by President J. W. Scherr of the Inter-Ocean and Dr. H. W. Dingman of the Continental Casualty. Mr. Johnson is building up a very successful agency in Illinois and has developed some very good producers within the last two years.

The Northwestern Life & Accident of Seattle announces the opening of a San Francisco office, in charge of W. M. Jordan.

#### AMONG SURETY MEN

### RULING MADE RETROACTIVE

#### Illinois Highway Department Extends Benefits of Five-Year Maintenance Bond Decision

Excepting for the promulgation of new rates for bonds for contractors doing municipal work in Illinois, the last work on the job of having the term of the bonds cut from 20 years to five years was done late last week when representatives of the Surety Underwriters Association of Chicago received from Frank T. Sheets, chief highway engineer

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### SPRINGFIELD

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At  
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—  
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NATIONAL  
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Detroit, Michigan  
W. G. Curtis, President



**Union Indemnity Company**

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**CREDIT INSURANCE ONLY**

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of Illinois, a letter of which the following is a part:

"Relative to the new form of bond being retroactive, I can see no objection to this arrangement on permits to which a five-year limit would apply."

Timothy E. Dunne of the Union Indemnity and Walter W. Steiner of the Globe Indemnity represented the Chicago association in the negotiations with the highway department.

The Towner Rating Bureau has been advised of the extension of the benefits of the ruling and it is expected that new rates will be announced at an early date.

#### TEST ON "INDIRECT REBATE"

**Agreed Suit to Be Brought in Kansas Over Plan of State Bankers Association**

TOPEKA, KAN., June 27.—A suit is in course of preparation to test the question of indirect rebating in Kansas. The officials of the Kansas Bankers Association, the Kansas Association of Insurance Agents, the insurance department and the attorney general have reached an agreement that a declaratory judgment proceeding should be brought in the supreme court to test the question and obtain a final ruling. The attorney general and the department ruled against the agents in the first skirmish.

The insurance agents contend that the plan of the Kansas Bankers Association of having its secretary handle surety bond business for the bankers and turn the commissions into the treasury of the association constitutes an indirect rebate to the bankers. W. W. Bowman, secretary of the association, is a licensed agent for two large surety companies writing bank bonds.

Commissioner Baker, Roland Boynton, assistant attorney general; C. G. Blakeley, jr., president of the Kansas Association of Insurance Agents, and Ralph O'Neill, attorney for the agents, participated in the conference at which the agreement was reached to have a test suit brought to settle the question.

#### Surety Not Preferred Claimant

COLUMBUS, O., June 27.—The Ohio Supreme Court held this week in connection with the liquidation of the Union Savings Bank of Yorkville, that claims of surety companies guaranteeing state deposits in banks are not to be considered preferred claims against a bank if it is taken over for liquidation and the surety company pays the state the amount of the bond. The Fidelity & Casualty was surety on a state deposit of \$25,000 in the bank. When the bank was taken over by the state for liquidation, the company paid the state, which assigned to it any claims it had against the bank. The surety company then made the claim that it should be regarded as a preferred creditor. The court held that the surety company must take its chances with the rest.

#### Personal Sureties Must Pay

AUSTIN, TEX., June 27.—In a suit brought by Gov. Moody of Texas, on behalf of depositors of the defunct Celeste State Bank, the Court of Civil Appeals at Texarkana rendered judgment against H. E. Jones and other sureties of the bank for recovery on the \$30,000 bond made to protect depositors.

It was the first case tried and appealed under the bond security system of state banks. Under a law passed by the 39th legislature, the governor was empowered to sue on behalf of state bank depositors for recovery on bonds.

The Texarkana Court of Civil Appeals upheld the position of Governor Moody and the attorney general's department that the law authorizing the state banking board to fix forms of bonds was constitutional. The trial court at Greenville, where the suit was brought, held the law invalid on grounds that it attempted to delegate legislative authority powers to the board.

#### Globe Agents Write Large Bond

The Blaine-Young Company, Omaha general agent of the Globe Indemnity, has just completed one of the largest

construction bonds ever written in Omaha or Nebraska. It is in the amount of \$1,425,000 and covers erection in all branches on the 11-story New Paxton Hotel building. Construction begins at once. The general contractor on the job is the Selden Breck Construction Company of St. Louis. The hotel will be owned by the Kitchen Brothers Hotel Company.

#### Big Oregon Contract Bond

The General Construction Company has secured the contract for the construction of the Owyhee dam for the United States government at Nyssa, Ore., on its bid of \$3,198,779. The bid bond was written by the Seattle office of the United States Fidelity & Guaranty. It is claimed that when completed this will be the world's largest dam.

#### Will Require Corporate Bonds

LOS ANGELES, June 27.—The Los Angeles board of public works has decided that hereafter contractors engaged in public improvement work for the city must file corporate surety bonds to guarantee faithful performance. This decision revokes the practice observed heretofore in some instances of accepting personal bonds, recent investigation showing that the later are entirely inadequate.

#### Leonard Joins Union Indemnity

Harry Leonard has been appointed manager of the home office fidelity and surety department of the Union Indemnity. Immediately prior to joining the Union he was manager of the Northern California branch office of the New York Indemnity, and previously was manager of the Salt Lake City branch of the United States Fidelity & Guaranty.

#### Maynard Reports Good Increase

Stanley Maynard, Chicago, western vice-president of the New York Indemnity, reports that the month May 25-June 25 was the best for surety business that the Chicago branch of the company has had since it opened. The office made a 25 percent increase over the best previous month this year.

#### PLATE GLASS INSURANCE

#### RATE REDUCTION IS PROPOSED

**10 Percent Cut Favored by Majority of Those Present at New York City Conference**

Reduction of plate glass rates 10 percent in all territory outside New York City was proposed by the majority of company representatives attending the last plate glass writing companies in New York. Representatives of the Moore Rating Bureau and the National Bureau of Casualty & Surety Underwriters attended the conference. After discussion of various revision proposals ranging from 5 to 15 percent below present rates, the majority favored a 10 percent cut.

A commission cut also was proposed, but it found few backers. It was pointed out that since the general agency commission of 35 percent is but five points above the rate allowed on burglary insurance, and since the agent must do much more work on a plate glass line than on a burglary line, the present commissions are not too high.

#### Manufacturers Casualty Plans Increase

PHILADELPHIA, June 27.—Directors of the Manufacturers Casualty, a participating stock company, have approved a plan to double the present \$1,000,000 capitalization of the company, according to an announcement made by President J. K. Allen. Plans are also under consideration for increasing the capital of the Manufacturers Fire.

In connection with the announcement of the appointment of the Howard W. Phillips Company of Washington, D. C., as general agents for the Standard Accident, it is also announced that the company will continue to be represented for all lines by the District Agency Company.



## GEORGIA ASSOCIATION PRESIDENT REVIEWS YEAR (CONTINUED FROM PAGE 22)

to coverage. We, as agents, should decline to submit to our companies country property unless and until we have personally inspected it and satisfied ourselves as to both the physical and moral hazards. The method of rating may well be carefully investigated. We are possibly governed by rates which are too high, or not properly adjusted, driving away that class of country property on which a profit might be made at even much lower rates, and having remain with us that class on which profit is impossible at any rate. A bureau or pool may be the answer. If that is true the obligations is on the companies to provide such facilities. I prefer to hope and believe that the problem may be met in some other way. A problem it is, however, and companies and agents must meet it."

Mr. Menard commented on the rapid growth in the volume of casualty and surety premiums. He then spoke of the mutual competition which all the agencies feel. He said the great majority of the association members represent only stock companies and that the American agency system rests on the foundation of the progress of sound stock insurance. Mutual companies on the whole are non-agency companies. "There are, however, some agency mutuals. An agent, however, unless he be more than human, cannot equitably represent and do justice to both classes of companies. Therefore, this association is opposed to the further extension of mutual company representation by stock company agents," said Mr. Menard.

In reporting upon the legislation President Menard said that no legislation the association opposed was enacted into law at the last session of the legislature. The law making body does not meet again until June, 1929, so a breathing spell is afforded to consider matters of legislation for good of the business. Mr. Menard recommended that the New York standard form of policy be adopted for use in Georgia. The adoption of this new form, according to Mr. Menard, would provide an ideal opportunity for the writing of an automatic cancellation clause for nonpayment of premiums. This, he said, would curb effectively the credit and face insurance evil.

President Menard commented favorably on the work of the National association during the past year. He criticized nonmember agents for their unwillingness to share in the responsibilities and support of the association when they share in the advantages which come from the work of the organization.

### Occupy New Building Soon

The Commonwealth Casualty of Philadelphia expects to move into its new home office building opposite Independence Square within the next month.

### New Office Opened in Syracuse

President F. Highlands Burns of the Maryland Casualty has announced the opening of a branch office at Syracuse, N. Y., in charge of J. D. Harvey as resident manager.

Mr. Harvey has represented the Maryland Casualty as manager of its claim division at Jacksonville, Fla. He has been in the insurance business since 1922 when he entered the service of the Aetna Casualty as adjuster. He joined the Maryland Casualty in August, 1924, and shortly after was made manager of the Jacksonville office.

### Jefferson Auto Mutual Licensed

Authority to take over the business of the Lincoln Auto Mutual was granted the Jefferson Auto Mutual Casualty when the New York department licensed the Jefferson organization. The Lincoln is in liquidation. The enabling order also removes certain restrictions on the writing of taxicab fleets. "The Jefferson Mutual," the department's statement reads, "is authorized to accept pro rata the taxicabs which were insured by the Lincoln Mutual at the time of its liquidation."

## PERSONAL GLIMPSES OF CASUALTY MEN

The memory of the late **George E. McNeill**, a noted labor leader of his day and founder of the Massachusetts Accident of Boston, will be perpetuated at his home town of Amesbury, Mass., through the medium of a 60-foot flag pole and flag, both of which, together with a surrounding bronze fence and a suitably inscribed tablet, were presented to the community a short time ago by Chester W. McNeill, Walter L. McNeill and Mrs. Bertha L. Mitchell, children of G. Leonard McNeill, and grandchildren of the founder of the house. The dedicatory ceremonies were held at the George E. McNeill Park, the presentation speech being made by Chester W. McNeill, who succeeded his father, G. Leonard McNeill, as president of the Massachusetts Accident upon the death of the latter.

Death has claimed **George W. Peck**, general agent at Salt Lake City for the Fidelity & Casualty for the past 30 years and in the service of that company for 47 years. He had been ill for several months and was in his 75th year. He was regarded as the dean of Utah accident men. He had probably personally written more accident and health insurance applications and doctor's liability applications than any other man in Utah.

### COMMERCIAL CASUALTY MAKES FIELD CHANGES

The Commercial Casualty announces the following field changes:

Special Agent A. C. House has been transferred from New York State territory to act as field supervisor for Connecticut with headquarters at Hartford. Special Agent George M. Bull has been transferred from Wisconsin to Michigan with headquarters at Lansing.

Special Agent F. B. Fairbrother, formerly operating in Indiana, has been transferred to the home office.

C. E. Woodrow, formerly with the Aetna Casualty, has been appointed special agent for Indiana.

Headquarters for Field Supervisor George J. Ferguson, heretofore operating in the central New York territory, will be the home office.

### Trustees Liable, Can't Carry Insurance

COLUMBUS, O., June 27.—The attorney general of Ohio has held that while township trustees are liable in their official capacity for any damages that may arise as a result of negligence on the part of the trustees, the board of trustees is without any authority to carry liability insurance to protect itself. Publicly owned motor vehicles and road building machinery are the principal causes of concern in this respect to the trustees.

### Guardian Offers Cut Rate

BUFFALO, June 27.—The Guardian Casualty of this city has offered to insure all city owned automobiles at rates substantially below standard. The saving would range from \$7 on small cars to as high as \$30 on the largest municipally owned trucks. Frank E. Seymour, Jr., general agent for the Buffalo company, submitted the proposal, and was to be invited to explain his proposal at a meeting of the city council's finance committee later this week.

### To Open Coast Office

NEW YORK, June 27.—To still further develop its business on the Pacific Coast, the General Reinsurance of this city will open a branch office in the Russ building, San Francisco, with Robert B. Crofton as manager for the territory. Mr. Crofton is not new to the field, having been special representative for the General at Los Angeles for some time past. He has an intimate knowledge of casualty reinsurance and is responsible for a number of desirable treaty contracts secured by the company.

**S. V. Morris, Jr.**, for 30 years general agent in Minneapolis for the Preferred Accident, died there last week after a lengthy illness. Mr. Morris was born near North Bend, O., Oct. 4, 1870, and went to Minneapolis 38 years ago. He was a nephew of President Benjamin Harrison and a great-grandson of William Henry Harrison.

After an extended visit to the Pacific Coast, **A. G. Holt**, agency auditor for the Continental Casualty of Chicago, left Los Angeles last Monday on his return trip east. He has been on the coast for the past three months, devoting the time largely to visiting the agencies of his company in the Pacific northwest, later spending some time with the California Agencies, which represents the Continental Casualty in California and maintains offices in Los Angeles and San Francisco.

A special radio service was installed in the New York branch office of the Fidelity & Deposit, to enable brokers and other friends to hear the speech of **Franklin D. Roosevelt**, vice-president of the company, at the Democratic National convention at Houston, nominating Governor Al Smith for the presidency.

### CHICAGO SURETY MEN ON THE GOLF LINKS

At the first summer golf tournament of the Chicago Surety Underwriters Association held at the Cog Hill Golf Club near Lemont, 15 companies were represented. The first prize for low net score went to "Dick" Hall of the Columbia Casualty and Jean Harper of the Great American Indemnity who tied. Low gross prize was won by E. H. Ludlow of the Sun Indemnity. Other prize winners were "Bob" Griffith, Eagle Indemnity; "Bill" Wallace, Hartford Accident; J. J. Woodmansie, Fidelity & Deposit; Ed O'Donnell, Indemnity Insurance Company of North America; Arthur Anderson, Commercial Casualty; Edward Madden, Maryland Casualty; Joseph Hartman, Royal; J. P. Keever, Maryland; "Don" Donahue, Detroit Fidelity & Surety; P. J. Loring, American Bonding; Joseph Finch, National Surety; Arthur Stanten, Fidelity & Deposit; Robert Gardner, National Surety and T. E. Dunne, Union Indemnity. The next outing July 17 will be held at the Lake Geneva Country Club, C. W. French of the Royal Indemnity being the official host.

### CUSTOM HOUSE BONDS ISSUE

Superintendent Beha of New York Demands the Experience of Individual Companies on Class

NEW YORK, June 27.—At the instigation of the Merchants' Association of this city, Superintendent Beha of the New York department is conducting an inquiry into custom house bonds and the experience of the surety companies. Under date of May 14 the Towner Rating Bureau supplied the department with figures showing the aggregate net premiums and incurred losses of the companies under the classification in New York for each of the years 1923 to 1926 inclusive. The 1927 results will not be available before July 1. The returns are as follows: Net premiums, 1923, \$109,383; 1924, \$135,069; 1925, \$143,208; 1926, \$162,823. The incurred losses (less salvages) were respectively, \$5,438, \$30,709, \$121,161 and \$48,026.

Not satisfied with these figures, the department now asks that the information be supplied it as to individual companies. While the rates for custom

house bonds issued in April, 1926, apply to all entry ports throughout the country, New York City is the only center in which objection has been raised. While it is true that in the case of certain forms of bonds the rates upon which were so low as to scarcely pay for the expense of issuing the contract, increases were called for, it is equally the case that on the general cover form a material reduction was decreed.

### "UNDERWRITING" MAIN TOPIC

Aviation and Health Insurance Rates to Be Discussed by Health and Accident Conference

C. O. Pauley of the Great Northern Life, chairman of the program committee of the Health & Accident Underwriters Conference, announces that the general theme chosen for the annual meeting to be held in Chicago in September is "Underwriting." All round table discussions will center around this topic.

Believing that not only public interest but insurance interest has been focused on the subject of aviation, the committee has decided to feature an address by a nationally-known aeronautical authority along the line of "Aviation and Its Relation to Personal Accident Insurance."

Another topic to be emphasized at this meeting is one causing considerable discussion at the present time and has resulted in some radical viewpoints. It is the question: "Are Present Rates for Health Insurance Adequate?"

The program committee is inviting suggestions for round table discussions and plans to provide this meeting with a constructive and interesting program.

### REVISED BANKERS BLANKET BOND FORM IS APPROVED

NEW YORK, June 27.—Approval of the revised Form 8 of the bankers blanket bond having been given by the Surety Association of America, it only remains for the executive committee of the organization to determine the date upon which the contract may be issued.

The revision was undertaken by a special committee of the association in conference with the insurance committee of the American Bankers Association, the underwriters incorporating into the new bond a number of suggestions offered by the financiers. The recommendation of the latter, however, that the revised contract be designated the American Bankers Association form, failed to meet the endorsement of the surety men, who insisted the title, "Form 8," had a trade significance they would not surrender.

A meeting of the public officials division of the Surety Association is being held today, while the contract bond committee will have a session tomorrow. The latter body will consider the proposed mechanics lien act, advocated by the federal government, and will endeavor to learn how the intended measure will apply, and its effect on surety coverage.

### FORNOFF CLAIM MANAGER FOR CENTURY IN CHICAGO

Ralph H. Fornoff, whose appointment as manager of the Chicago claim division of the Century Indemnity is just announced, began his insurance career as an investigator for the Travelers in 1910, later being named as adjuster in charge of its Pittsburgh office. During the world war he served overseas as a captain in the American Expeditionary Force. On the cessation of hostilities he rejoined the staff of the Travelers, developing compensation business in Tennessee. Subsequently he was attached to the Pittsburgh office of the Globe Indemnity, continuing for five years and resigning last September to become manager of the Century's claim division in Pittsburgh.

## TRAVELERS CLUBS IN ANNUAL MEETING

(CONTINUED FROM PAGE 57)

Watkins of Cleveland, who has represented the Travelers 21 years as a branch office agent, is president of the Accident Leaders Club.

The burglary insurance clubs in 1927 had a membership of 117, which is more than twice the membership of the clubs the previous year. The new paid burglary premiums produced by the club membership during the year was \$187,987. The president of the Burglary Insurance Leaders Club is C. E. Hull, of Montreal and his nearest competitor was F. W. Brown of Toronto.

## OPPORTUNITIES

### WANTED

By General Agency in Jackson, Michigan, Agency for an Old Line Reliable Stock Co. writing Burglary, Holdup and other Casualty lines. Fair Ins. Agency, 610 Steward Avenue, Jackson, Michigan.

Married man, 33, with over ten years' experience managing branch claim office of large casualty and surety company, desires change. Employed at present. Address F-90, care The National Underwriter.

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You can do it by asking us for details on our new line of Health and Accident Contracts, both Commercial and Industrial. Highest immediate earnings and liberal renewals paid to District and General Agents.

Who can produce business  
Write

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(Stock Company)

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There were 191 members in the group club for last year, and the members produced 384 group cases and 190 group accident and sickness cases. The president of the group leaders club is Jess Johnston, Fort Worth, Tex.

Last year was the first official year of the President's Club. There were 58 who qualified for this highest of Travelers honors. The president of the President's Club is Conrad C. Klee of Binghamton, New York. Mr. Klee has been the winner of many distinctions and prizes, and has represented the Travelers more than 20 years.

## REMINISCENCES OF WEST VIRGINIA BODY

(CONTINUED FROM PAGE 40)

retire to the executive committee, and later to the private ranks.

The eleventh annual meeting was held again at Clarksburg. At this meeting the first speakers from without the organization addressed the meeting. These were F. M. Jones of the Sun, president of the West Virginia Fire Underwriters Association, and Henry H. Putnam, secretary of the National association. Organization was still the main subject. In order to become more thoroughly organized, five vice-presidents, one from each Congressional district, were elected. Local boards were urged to join the association as a whole. Another committee was appointed to obtain a separate rating bureau for West Virginia.

This brings us through twelve years of the association. With little expense but much work the following outstanding reforms and advancements can be pointed to:

Resident agents law requiring that every policy of insurance covering in West Virginia must be signed and executed in West Virginia.

Cooperation obtained from West Virginia Fire Underwriters Association in the breaking up of the dummy agency evil.

The establishment of a separate rating bureau for West Virginia business.

Closer cooperation on the part of the companies in all matters of mutual interest to agents and companies.

Later reforms in which I had little or no part in obtaining, but in which I take a great deal of interest and pride, are:

Graded dues which has enabled the association to expand along more modern lines.

Non-resident brokers law.

Single agency rule and classification of companies.

I can not close this sketch without referring to the able lieutenants with whom I was at all times surrounded,

and without whom it would have been impossible to succeed. Chief and foremost among these is J. N. ("Jim") Hendrix of Wheeling.

Elected in 1904 shortly after he had entered the business, he was indeed a most able assistant and gave unsparingly of time and energy to the up-building of the association. He it was who inspired and often engineered the results obtained. More than this he has become through these years a most steadfast friend.

Of the friendships established by my years of association work, I can look back with the greatest of joy and fondness and I feel repaid many fold for the humble efforts put forth.

## SECRETARY'S REPORT ON WEST VIRGINIA

(CONTINUED FROM PAGE 42)

Fire, Virginia Fire & Marine, Northern of N. Y., Peoples Fire.

### Cooperation of Companies Should Be Secured

"I am informed by the auditor that four companies have withdrawn from the state. Quite a few new companies have been admitted to do business in the state and are appointing agents. Each of these has been solicited by this office for their pledge to co-operate. I strongly urge that the following list of companies be checked by the members and those agents not members who signed pledge not to favor companies not recorded as cooperating, as on file in my office. If you find any of these represented by you, immediate steps should be taken to secure their cooperation.

"Following are the companies not pledged: Birmingham Fire, Capitol Fire, Export, Federal, Firemens, Girard Fire & Marine, Harmonia Fire, Maryland, Mechanics, Merchants & Manufacturers Fire, National Ben Franklin, Northwestern National, Pennsylvania Indemnity Fire, Superior Fire, Brooklyn Fire, Lumbermens.

### Declares Commission Is Not Adequate

"Referring to commissions paid agents in this state, it is my opinion that the present scale is not adequate on fire business but is very satisfactory on casualty business. Let me call your attention to the present lack of harmony between fire companies and their agents which has existed, more or less, during the past four years when commissions were reduced in this state, as compared to the harmonious relations of the agents with the casualty companies, which have existed during this period. Also, many companies are attempting to develop marine and other side lines such as explosion and rain and are offering even a lower rate of commission on these classes than paid on fire business. There seems to be a general effort on the part of the fire companies to gradually beat down the compensation to their agents, while their dividends are ever increasing and their stock is soaring. There is always a breaking point and, in my opinion, unless the companies begin to recognize the producer of this business by adequate compensation for his labors, the breaking point will finally arrive. I believe commissions should be increased in this state and strongly urge that it be a contingent form, basing the contingent not on the experience of the individual company in an agency, but on the experience of the agency as a whole. The effect would make the agents better underwriters, cut down losses with the result of increased profit to both company and agent, and finally a benefit to the insuring public in the form of decreased rates, and the conservation of property to the state as a whole.

and property damage policy, which is 16 years, and realizing our inability to have the state law changed within the immediate future, your secretary, during the latter part of December, 1927, took up with the National Bureau of Casualty & Surety Underwriters the subject, with a view of attempting to remedy this discrepancy. On Feb. 7, I was advised by this organization that no relief should be expected. I am of the opinion that the age limit fixed by our law permits a driver who is too young to operate an automobile upon our streets and highways. This leaves a gap, however, which causes considerable embarrassment to the agents of this state on account of not being able to compensate for accidents caused by cars insured but being driven by children between the ages of 14 and 16. I believe this subject should be considered with a view of attempting to remedy it."

### Age in Policy and State Law Different

"On account of a discrepancy existing in this state in the age of a driver licensed by the state which is 14 years or over, and the minimum age of a driver covered by automobile liability

## REVIEWS COMPULSORY LIABILITY SITUATION

(CONTINUED FROM PAGE 55)

insurance department. Obviously there will have to be an increase in the rates charged in the metropolitan district on account of the high loss ratio.

### New Claim Element

"The companies are also faced with a new element in automobile claims, to wit: collusion, on the part of the assured, with the guest, wherein the guest sues the host when an injury is sustained. Case after case comes up where the guest in the car is severely injured and the driver of the car makes a report in which he admits liability on his part clearly for the purpose of his friend's recovering damages from the insurance company.

"One other thing with which the insurance company has to contend is the matter of false claims made for personal injuries in order to recover for the property damage to the car when it is discovered that no property damage coverage was carried by the other party to the accident.

"The companies are hopeful that the rate question will finally adjust itself after enough experience has been compiled. But with the ever increasing number of suits being brought in practically every court, the loss ratio is bound to increase.

### No Profit Possible

"The general agents do not favor this law as a business proposition, because they do not get enough, in many cases, to pay for cost of operation and realize a reasonable profit. The same situation applies to many of the brokers. Consequently there is no great incentive to put this class of business on their books.

"What is going to be the outcome? The agents and brokers claim they do not make any money from writing this business. Certain radicals are demanding a state fund to handle this insurance at cost, and the insurance commissioner says publicly that the insurance broker has no place in this scheme. The legislature feels that an ample amount is being paid to agents and brokers to acquire the business. The wheels of justice are becoming more and more clogged with automobile cases.

"It will take several years longer before anyone can say definitely what the outcome will be from this legislation. I know that the insurance companies, agents and brokers will cooperate to the fullest extent until such time has elapsed that a true picture of this whole transaction can be placed before the general public. Then and then only can anyone tell how this law has worked out."

and property damage policy, which is 16 years, and realizing our inability to have the state law changed within the immediate future, your secretary, during the latter part of December, 1927, took up with the National Bureau of Casualty & Surety Underwriters the subject, with a view of attempting to remedy this discrepancy. On Feb. 7, I was advised by this organization that no relief should be expected. I am of the opinion that the age limit fixed by our law permits a driver who is too young to operate an automobile upon our streets and highways. This leaves a gap, however, which causes considerable embarrassment to the agents of this state on account of not being able to compensate for accidents caused by cars insured but being driven by children between the ages of 14 and 16. I believe this subject should be considered with a view of attempting to remedy it."

### Leon Merz Given Another Post

Leon Merz, vice-president of the Union Indemnity in charge of the Philadelphia branch office of the company, has been made Philadelphia resident vice-president and manager of the Northwestern Casualty & Surety.

**A square deal—regardless of cost.**

**Both to agents and the assured.**

**Big men at the helm of the Pennsylvania, who realize that straight shooting is the only enduring foundation for permanent success.**

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get more  
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Total Disability Indemnity  
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